

Performance and Finance Scrutiny Sub-Committee SUPPLEMENTAL AGENDA

DATE: Wednesday 9 December 2015

AGENDA - PART I

7. REVENUE AND CAPITAL MONITORING (Pages 3 - 60)

Report of the Director of Finance.

Note: In accordance with the Local Government (Access to Information) Act 1985, the following agenda item has been admitted late to the agenda by virtue of the special circumstances and urgency detailed below:-

Agenda item

7. Revenue and Capital
Monitoring

Special Circumstances/Grounds for Urgency

This report was not available at the time the agenda was printed and circulated. Members are requested to consider this item, as a matter of urgency in order to consider the most up to date information.

AGENDA - PART II - NIL

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**REPORT FOR: Performance & Finance
Scrutiny Sub –
Committee**

Date of Meeting:	9 December 2015
Subject:	Revenue and Capital Monitoring
Responsible Officer:	Dawn Calvert, Interim Director of Finance
Scrutiny Lead Member area:	Performance Lead Member – Councillor Primesh Patel Policy Lead Member – Councillor Stephen Wright
Exempt:	No
Wards affected:	All
Enclosures:	Appendix 1 – 10 December 2015 Cabinet Report: Revenue and Capital Monitoring for Quarter 2 as at 30 September 2015

Section 1 – Summary and Recommendations

This report includes as an appendix, the Revenue and Capital Outturn monitoring report to be considered at the 10 December 2015 Cabinet meeting for consideration by this sub-committee.

Recommendations:

To note the report and to make any recommendations the sub-committee wishes for consideration by Cabinet or officers.

Section 2 – Report

Introductory paragraph

The Council undertakes monitoring of the council's revenue and capital budgets on a monthly basis, with reports being presented to Cabinet on a quarterly basis with the Outturn reported in June following the end of the financial year. The attached report shows the forecast position as at Quarter 2 30 September 2015.

Financial Implications

These are contained within the December Cabinet report attached.

Performance Issues

These are contained within the December Cabinet report attached.

Environmental Impact

There are no direct impacts.

Risk Management Implications

These are contained within the Cabinet report attached.

Equalities implications

Was an Equality Impact Assessment carried out? No

The report is for noting and comment only

Council Priorities

The Council's vision:

Working Together to Make a Difference for Harrow

the Council's priorities are:

- Making a difference for the vulnerable
- Making a difference for communities
- Making a difference for local businesses
- Making a difference for families

Good financial governance contributes to achieving them.

Section 3 - Statutory Officer Clearance

Not required.

Ward Councillors notified:	NO
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Section 4 - Contact Details and Background Papers

Contact: Steve Tingle (steve.tingle@harrow.gov.uk), Senior Financial Advisor: Strategic Finance
Tel: 020 8420 9384

Background Papers: None

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REPORT FOR: CABINET

Date of Meeting:	10 December 2015
Subject:	Revenue and Capital Monitoring for Quarter 2 as at 30 September 2015
Key Decision:	No
Responsible Officer:	Dawn Calvert, Director of Finance
Portfolio Holder:	Councillor Sachin Shah, Portfolio Holder for Finance and Major Contracts
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	Appendix 1 - Revenue Summary (Directorates) as at 30 September 2015 Appendix 2 – MTFS 2015/16 to 2018/19 Savings Tracker Appendix 3 - Debt Management 2015/16 Appendix 4 – Capital Programme as at 30 September 2015

Section 1 – Summary and Recommendations

This report sets out the Council's revenue and capital monitoring position as at Quarter 2 2015/16 (30 September 2015).

Recommendations:

1. That Cabinet note the revenue and capital forecast positions detailed in this report as at Quarter 2 2015/16.
2. That Cabinet approves additions to the capital programme of externally funded spend in paragraph 154 and 155, in respect of an addition to the TfL funded Local Implementation Plan and an increase in the budget for Grants to Move.

Reason: (For recommendation)

To report the 2015/16 forecast financial position as at 30 September 2015.

Section 2 – Report

INTRODUCTION

1. The net forecast position at Quarter 2 on Revenue is for an overspend of £1.303m on Directorate budgets, which is after allowing for mitigating actions of £2.837m. This £1.303m reduces to nil after assumed use of contingency of £0.665m and £0.638m of savings on central budgets.
2. The net forecast position on General Fund capital at Quarter 2 is for it to be under budget by £27.358m, comprising of slippage of £25.700m and underspends of £1.658m. The forecast for HRA Capital is for spend to be under budget of £11.233m, comprising of slippage of £10.635m and underspends of £0.598m.

REVENUE MONITORING

3. The Quarter 2 forecast indicates a directorate overspend of £4.140m. Mitigating actions have been identified of £2.837m which reduce the directorate overspend to £1.303m. Corporate savings of 0.638m have been identified and these taken together with an assumed use of the corporate contingency of £0.665m enable a balanced position to be achieved. The achievement of a balanced position includes one-off savings of £4m, mainly the use of reserves and directorates continue to seek further on-going mitigating actions.
4. Cabinet agreed in year savings of £2.468m in July for implementation with immediate effect. The savings were agreed to contribute £1m each to reserves for Welfare Reform/ Homelessness and for Commercialisation and £468k to the MTFs implementation reserve. The variances now reported allow for these savings being achieved in

full. Table 1 below summarises the Quarter 2 revenue position and Appendix 1 provides more detail:

Table 1: Revenue Monitoring – Quarter 2 2015/16

	Revised Budget	Forecast Outturn	Quarter 2 Variance	Mitigating Actions	Variance at Q2 After Mitigation	Variance	Quarter 1 Variance	Movement Q1 to Q2
	£000	£000	£000	£000	£000	%	£000	£000
Resources & Commercial	20,436	20,393	(43)	0	(43)	(0.2%)	(62)	19
Community	46,492	49,312	2,820	(1,968)	852	6.1%	3,203	(2,351)
People	101,350	102,313	963	(869)	94	1.0%	1,099	(1,005)
Regeneration	3,236	3,136	(100)	0	(100)	(3.1%)	(14)	(86)
Business Support	2,106	2,606	500	0	500	23.7%	573	(73)
Total Directorates	173,620	177,760	4,140	(2,837)	1,303	2.4%	4,799	(3,496)
Corporate Items	(7,487)	(8,125)	(638)		(638)	8.5%	0	(638)
Corporate Contingency	1,248	583	(665)		(665)		(1,248)	583
Total Budget Requirement	167,381	170,218	2,837	(2,837)	0	1.7%	3,551	(3,551)

RESOURCES & COMMERCIAL

5. At Quarter 2, Resources and Commercial is forecast to underspend by (£43k), a reduction in the forecast underspend of (19k) when compared to quarter 1.
6. There have been a number of reasons for the net movement of (£19k) between quarter 1 and 2 are listed below:

Underspends

7. Unapplied accrual in Community Lettings (£41k).
8. Vacancy freeze in HR and other non-staffing budgets that will not be utilised this year (£110K).
9. Reduction in expected spends of moving ICT equipment from Capita's site to Harrow (£76k).
10. Further underspend on printing budget that will not be needed this year (£94k).
11. Increase in income from service level of agreement with schools will result in further underspend of (£41k).
12. Within the Business transformation project team, because of the delay in the delivery of Wi-Fi and share point, secondment and capitalisation, there will be a staffing underspends of (£140k).
13. There is an underspend on holding vacancy that will not be recruited to this year within the Business Intelligence team (62k).
14. The above underspends are largely offset by:

Overspends

15. The new initiative at DWP, specifically Real Time Information Bulk Data exercise (RTI) has resulted in a higher than normal increase in the raising of Housing Benefit overpayment debts which unfortunately is increasing the overpayments figures and adds further pressure to the already reported bad debt provision. At quarter 1 this was reported as £250k but the latest forecast is for the overspend to be £450k.

16. Relocation of Telephony, Framework-i and other IT equipment from its current location to the civic centre will result in an additional £215k payment to Capita.
17. Extra staffing resource within the Revenue and Benefit team in order to reduce housing benefit case load and performance which will in turn reduce the call waiting time £80k.
18. A change to the way debit card transaction charges are calculated from 12p per transaction to 0.363% of transaction value will result in an overspend of £101k.
19. The Occupational Health MTFs saving of £100k will only be partly met due to the Government's fit for work scheme being delayed until October 2015, this will result in a budget pressure of £50k.

The overspends above are offset by underspends as follows:

20. Additional administrative grant for the Real Time Information Bulk Data exercise (RTI) (£30k)
21. Land Registry MTFs growth that is not required this year due to a delay in the implementation of the service transfer from local authorities (£225k).
22. Unapplied supplies and services inflation (£72k).
23. Other underspends in Director of Resources of (£35k)

COMMUNITY DIRECTORATE

24. At Quarter 2 the Community Directorate is forecasting an overspend of £0.852m compared to Quarter 1, a reduction in overspend of £2.351m.

Environment & Commissioning

25. At Quarter 2 Environment & Commissioning are reporting a projected underspend of £25k, compared to an overspend of £0.917m at Quarter 1. Although there is a net underspend at quarter 2, it includes overspends offset by additional one off income/funding.
26. The main overspend relates to an amber rated MTFs saving associated with the changes of garden and food waste collection system. A separate food waste collection service will commence in October 15. It is anticipated that this will result in an increase in recycling tonnage on food waste and will yield a part year saving on disposal costs. However the full 15/16 saving will not be achieved due to the decision to delay the implementation of garden waste charging until 1st April 2016 which leads to a pressure of around £850K this year.
27. The other significant over spend relates to route optimisation. The original saving anticipated in previous MTFs was £600k in total. A full review on waste collection routes has been undertaken, and revised

routings were implemented in January 15. The review, however, confirms that the actual efficiencies are less than those assumed in the original model as part of PRISM project. This has led to an unachieved saving of £353k.

The principal movements from Quarter 1 to Quarter 2 relate to:

- £0.788m Income in relation to Harrow's one third share of the surplus on Breakspear Crematorium, including a one-off £0.6m backdated receipt relating to prior years.
 - A one-off drawdown of the Business Risk reserve funding in relation to WLWA, £218k.
 - £100k One-off income in Corporate Estates.
28. Of the £4.632m 15/16 MTFS savings, there is a red rated saving of £375k relating to the review of car parking charges to deal with capacity issues. The pressure is being contained by a forecast over achievement of other parking income.

Culture

29. Community and Culture are reporting a projected overspend of £102k against a controllable budget of £2.422m. This is a £182k improvement since Quarter 1.

Overspends

30. There is a £200k projected net overspend on Harrow Arts Centre. This adverse variance is due to pressures in achieving additional income targets and savings against salaries. A number of staff have been on long term sickness leave and cover for this is increasing salaries costs and making savings more difficult to achieve. The pressure on income targets is due to a reduction of longer term room hire bookings due to uncertainty around the Arts Centre in 2014-15 and electronic booking system failures. This remains a risk and will continue to be closely monitored.
31. There is a forecast net overspend of £32k on Libraries and Leisure. The MTFS saving against libraries had been predicated on the basis of closing 4 libraries. However, timescales over the closing of the libraries were delayed, and finalising negotiations with the contractor regarding the level of the saving has led to delays in realising the saving. The pressure in a full year is being mitigated by a reduction in the book and repairs and maintenance funds. Additional mitigation is being provided by first month of libraries remaining open being funded centrally.

Underspends

32. £130k improving position in Arts and Heritage (Music Service) due to forecast additional grant income from Arts Council and additional income from the delivery of music lessons.
33. The overall improvement between Quarters 1 and 2 is due to is due to an improving position in Arts and Heritage, as described above in paragraph 32.

Housing General Fund

34. The reported pressure at Quarter 2 is £0.775m, an improvement against Quarter 1 of £1.227m. The main reasons for the improvement are:
- A one-off drawdown of £1m against the Welfare / Homelessness reserve.
 - Review of charges to the HRA giving a one-off saving of £90k.
 - Review of staff time capitalised against regeneration projects giving a one-off saving of £51k.
 - There has also been a reduction of households in Bed & Breakfast combined with clarity around set up costs of the Council's Private Lettings Agency and split of officer time against HRA, both resulting in reduced pressure for Housing General Fund.

In summary, the pressure mainly comprises:

35. Bed & Breakfast accommodation ("B&B") - £1.172m pressure
In 2014-15 the average number of households in B&B was 142 at an average cost of £219.88, net of Housing Benefit ("HB"). This number was 153 at the end of the financial year.
36. As at 4th October the number of households in B&B stood at 227 and the budget holder estimates an average of 218 households for 2015-16 at any one time, costing an average £199.92 per week net of HB. This equates to estimated net expenditure of £2.204m against a budget of £1.032m yielding a pressure of £1.172m.
37. Private Sector Leasing ("PSL") - £136k pressure
38. In 2014-15 the average number of households in PSL was 277 yielding a surplus of £58.65 per week per household, net of housing benefit.
39. As at 4th October the number of households in PSL stood at 305, although this number is expected to stand at 365 at the end of the financial year assuming four new agreements are acquired every week and the majority of agreements coming to an end are extended. This produces an average of 317 PSL agreements at any one time and although the current average surplus generated is £46.01 the forecast assumes this will reduce to £35.00 per week given the higher rent payments required to private landlords. These assumptions indicate an estimated surplus of £0.576m against a budget of £0.712m yielding a pressure of £136k, and as it becomes more difficult to procure new leases, rents offered to new owners are increasing, reducing the surplus to cover administration and management costs.
40. Discretionary Housing Payments ("DHP") - £400k pressure
In 2014-15 £1.138m was allocated to the service which was insufficient. The allocation for 2015-16 has been reduced by some 40% to £677k. A process of prioritising DHP payments benefitting the General Fund has been agreed with Revenues & Benefits section with payments to Council tenants funded from the HRA. A pressure is expected despite this.

41. Bad Debt provision – £146k pressure
Provision for bad debts at close 2014-15 was £358k. Write offs of £27k have since been approved, including charges for utilities from 2009 at Anmer Lodge as the contractor has gone into liquidation. Financial circumstances of majority of households in temporary accommodation requires a regular review of debtors. This now indicates a further contribution of £196k is required against a budget of £50k.
42. Other, Housing Needs - £8k pressure, relating to staffing costs which indicates the early saving of £18k is partially achieved.
43. Other GF services - £4k pressure
Agency costs which are expected to be substantially funded from Chief Executive Transformation Fund and Private Lettings Agency, assuming work ends on these projects December 2015.
44. Resident Services – £22k pressure
Relates to management costs to ensure compliance with applicable legislation.
45. Harrow Stay Put - £30k pressure
Pressure relates to agency cover for sickness. Costs of £68k incurred in respect of the Green Deal Energy Efficiency scheme are expected to be fully funded by grant from the Department of Energy & Climate Change.

Housing Revenue Account

46. The forecast outturn shows a capacity of £84k, a deterioration of £59k against Quarter 1 resulting from valuation losses on garages.
47. The forecast outturn includes increased expenditure on the Affordable Housing programme and cyclical repairs offset by reduced depreciation charges of £321k relating to dwellings which are subject to redevelopment together with lower than expected interest payments.
48. Under current regulations valuation losses for HRA non-dwellings in excess of balances on the revaluation reserve are charged to revenue thereby having a direct impact on financial resources. Council Valuers have provided provisional valuations for HRA non dwellings and, based on these, valuation losses of £177k are expected relating to garages, which are included in the above estimates.

A summary of the HRA position is provided below which includes estimated balances.

HRA revenue balances £'000	Original budget	Revised Budget	Forecast outturn	Variation
Balance b/fwd	-4,395	-4,395	-4,585	-190
Net (surplus) deficit	-567	-601	-595	6
Balance c/fwd	-4,962	-4,996	-5,180	-184

PEOPLE DIRECTORATE

49. The People Directorate is forecasting an overspend of £94k at Quarter 2 as detailed below. This is an improvement of £1.005m since Quarter 1 when the projected overspend was £1.099m.

ADULT SERVICES

50. Adults is forecasting an overspend of £0.649m at Quarter 2, compared to £0.634m at Quarter 1. However, to respond to the overall corporate pressures, a recovery plan has been developed, which identifies potential mitigating one-off actions of £0.595m. If these mitigations can be achieved, and without any corresponding increased care costs which generally arise during the winter months, the year-end position would reduce the overspend to £54K by March 2016.
51. The majority of Adults budgets are demand led and the Council has a statutory duty to meet vulnerable adults' needs. It is therefore challenging to strike a balance between safeguarding adults against harm and abuse and simultaneously balancing the budgets.
52. Consistent with last year the Adults directorate has an underlying pressure. This pressure is in the region of £1.660m, however it is currently assumed that this will be offset by available capacity in the Care Act implementation funding of £1.011m (latest information suggests that Councils will keep the funding associated with phase 2 of the Care Act, however the distribution methodology has yet to be confirmed and at this stage it is not clear if this funding is ongoing).
53. There are a number of pressures across the directorate and the key variations are detailed below:
- £179K overspend relates to social care placements– this represents £1.402m purchasing pressures (£829k of which represents the acceptance of 21 OR cases) and has been offset by Care Act Funding of £1.011m and underspends on the Quality Assurance team of £212k (largely reflecting unfilled vacant posts).
 - £116k overspend relating to the Deprivation of Liberty Safeguards (DoLS) resulting in statutory requirements to carry out DoLS assessments by specific timescales and increased threshold for assessments. The total forecast for DoLS is £372k however this is offset by the DoLS grant of £104k and transfer of £152k from the annual growth allocation (this in turn reduces the funding available for new packages of care and increases the overspend being reported on the purchasing budget).
 - £197k overspend in relation to Mental Health – this reflects the Council's 50% risk share relating to S75 agreement with Central North West London Hospitals Trust (CNWL) where an overspend of £394k is currently being forecast.

- £232k overspends across Provider Services - this overspend is relating to Meals on wheels services, challenges to the provision of transport within the available budget and in-house day and residential services.
54. The one-off management actions identified are detailed as follows:
- Training - limit training to mandatory provision only - £43k
 - Continue to review the agency spent within adults services - £61k
 - Purchasing - In year review and clawback of balances held by personal budget service users - £314k
 - Catering - Relocate service to Milmans - £39k
 - In House residential - reconfigured rotas for respite and review other staffing lines - £53k
 - Transport - Efficiencies from changes to existing routes - £84k one-off saving.
55. In addition to this forecast pressure there are a number of risks which may influence the forecast outturn position, which are detailed below and will be referenced in future.
- The situation at the hospitals is currently critical with Delayed Transfers of Care (DToC) at Central Middlesex Hospital and Northwick Park Hospital. There are extremely high expectations on social care to fully assist in reducing these DToCs and managing hospitals bed capacity. There have been daily teleconferences and NHS England is monitoring the situation. The Clinical Commissioning Group (CCG) continues to review the allocation for these interim beds and if these are reduced or the funding withdrawn on intermediate care beds, this will put a further pressure on the Adults purchasing budget. Adults services have been working closely with the health services as a whole system to ensure safe and timely discharges for our residents.
 - Continued increase in the number of frail older people (over 80) who need complex and substantial care packages and placements.
 - The NHS Better Care Fund for 2015/16 of £5.411m - the s75 agreement is signed and funding received for the period April to October. Invoices are being raised on a monthly basis for the balance of the funding.
 - Care Act – potential for reduction in the allocation of the grant arising from a change to the distribution formula, and no certainty at this stage that this funding will be granted in future years.
 - Ordinary Residency (OR) - The council has accepted responsibility for 21 cases following assessment of need (and these costs are included in the forecast). The remaining risk in the region of £1.5m (not included in the forecast) relates to a potential claim in relation to the backdating of cost to before the assessment date.

Adults Transformation

56. Transformation is reporting a projected overspend of £40k against a total net budget of £184k. This is due to the delayed delivery of

anticipated savings across Business Support service. To achieve the proposed savings the post room function was transferred into Business Support on 1/4/15. The pressure of £40k assumes that the function has not ceased by year end. Whilst an overspend is assumed, officers are continuing to explore whether the function can be ceased to reduce the pressure and avoid this continuing into 2016/17.

Children & Families

57. As at Q2 the total forecast overspend for the Department is £0.866m, which reduces to nil after the use of a one off Children's Social Care reserve of £0.866m. This is an improvement of £425k since quarter 1.
58. The majority of Children's budgets are demand led and the Council has a statutory duty to meet vulnerable children's needs. It is therefore challenging to balance the budget.
59. There are several areas of pressure:
 - Special Needs Transport £0.752m pressures. Special Needs Transport underwent a significant review in 2014/15 with a view to achieving a further £0.570m savings target. It was only possible to meet approximately half of this savings target due in main to contract prices being higher than anticipated. This contributes to part of the overspend. The remainder is due to demand, particularly for transport from home to colleges as the SEND reforms that extends special educational provision to age 25 years has led to an increased number of young adults with complex needs continuing in education.
 - Children with Disabilities Service staffing £57k pressures to manage caseloads and client costs £283k due to demand and a single young person with high and extraordinary needs. There are currently 180 children being supported through Direct Payments, 146 families being supported through Section 17 and 38 children receiving home care packages.
 - Children and Young People's Service staffing £443k pressure as a result of agency and interims covering vacancies and sickness and additional staff to manage caseloads.
 - There is a pressure on the Children's and Families budget of £0.556m due to families being supported by the Council because they have no recourse to public funds (NRPF). The welfare reforms, along with stricter enforcement of Asylum Legislation are the main causal factors for this demand, which is unpredictable in terms of volume and costs. The exit routes for ceasing funding are dependent on variable factors, many of which cannot be controlled by the Council. A bespoke worker has been recruited to focus specifically on these families to help reduce costs, and mitigate the financial pressures on this budget.
60. These pressures are partially mitigated by:
 - Use of one off children's social care reserve of £0.866m.

- Non-frontline staff vacancies and a number of centrally held management actions of £0.954m.
61. The Quarter 2 position after the use of the Children's social care reserve is an improvement of £425k compared to Quarter 1. However there are a number of demand led increases since Quarter 1:-
- Special Needs Transport £228k.
 - Children with Disabilities Placements £91k.
 - Children's Placements £96k.
 - Flexible use of grants £74k
 - Legal costs £100k
62. These increases have been offset by additional management actions totalling £638k including flexible usage of government grants available as a one off only.
63. It is anticipated that the following further management actions will reduce the overspend to achieve a balanced budget.

Area	Movement £000	Comment
Special Needs Transport	(100)	Over the half-term period the service is going to review the current routes and look to merge them where possible.
Legal	(100)	Current spending trends indicate a potential opportunity in this area. Careful management of this area is likely to yield a reduction in spend.
Management	(74)	Flexible use of government grants.
Total	(274)	

PUBLIC HEALTH

64. The budgets for 2015/16 reflect the commissioning intentions agreed by Cabinet in December.
65. The overall forecast position for Public Health is for a nil variance.

	£k
2014/15 Public Health Reserve c/f	908
In year underspend of PH Grant	500
Less in year reduction	(665)
Less spend on carry forward projects	<u>(463)</u>
2015/16 forecast Public Health reserve	280

66. There is a £0.500m in-year service under spend which takes into account wider public health outcomes being fully delivered (£0.727m). There is however an in-year reduction in grant (£0.655m) that was confirmed on 4 November 2015. The impact of this grant reduction

would mean an overspend of £165k (£0.500m less £0.655m) which will be met by a drawing from the Public Health Reserve of £0.628m to leave a balance at the year-end of £280k.

67. The 2015/16 budget process created capacity of £0.627m in the grant against which wider public health outcomes could be charged. In addition a further capacity of £100k reflecting cabinet agreed in-year savings of expenditure to be funded from the grant was identified, giving a total MTFS saving of £727k.

BUSINESS SUPPORT

68. Business Support is forecasting an overspend of £0.500m. This is a reduction of £73k on the forecast overspend at Quarter 1. Staff savings are not on track to be achieved within the current structure. The Central Scanning project is running late and is currently delayed pending our IT Supplier providing support, this will impact on savings.

CORPORATE BUDGETS

Interest and Finance Charges

69. It is forecast that there will be an underspend of £50k on interest earned on balances.

Business Rates Retention

70. There will be a shortfall on the amount credited to the General fund of £82k. The budget is set on data available in December, however the amount transferred from the Collection Fund is based on data available at the end of March when data is returned to the Department of communities and Local Government. There had been a deterioration in the taxbase in the intervening period.

S31 Grant to compensate for Business Rate Reliefs

71. It is anticipated that there will be an additional £400k of grant in excess of the budget of £0.600m, based on the reliefs given to date this year.

London Residuary Body Distribution

72. Each year there is a distribution to boroughs of the surplus on the operation of the London eye. The latest estimated notification is for a surplus of £33k against the budgeted income, including a late supplementary distribution for 2014/15 of £14k.

Levies

73. The actual levies for the London Pensions fund Authority and the London Boroughs Grant scheme are £8k less than the budget giving a budget saving.

Coroners Court

74. Harrow's estimated share of the costs of the Coroners Court is £29k less than the budget in the current year.

Contingencies and Reserves

75. The contingencies are there to cover unavoidable inflation pressures for the pay award and above a standard 1.3% increase on energy together with other unforeseen items and spending pressures and to cover areas of risk and uncertainty. There are also specific reserves

for the implementation costs of the MTFs, carry forwards, Business Risks and the Transformation and Priority Initiatives Fund (TPIF).

Central Contingency

76. The Central Contingency for unforeseen items in 2015/16 is £1.248m. There have been no formal drawdowns against the contingency, however in view of the currently projected General Fund overspend before the use of contingency it is assumed that the contingency will be drawn down by £0.665m to balance the General Fund position. This would leave a balance of £0.583m in the contingency.

Gas and Electricity Inflation

77. £350k has been provided against increases in price. There has been no allocation to date but any call against this provision will not be established later in the year. Given the current energy market it is however considered unlikely that the full amount of the provision would be required anyway and an underspend of £200k can be crystallised at this time.

Contingencies and Reserves

78. The contingencies are there to cover unavoidable inflation pressures for the pay award and above a standard 1.3% increase on energy together with other unforeseen items and spending pressures and to cover areas of risk and uncertainty. There are also specific reserves for the implementation costs of the MTFs, carry forwards, Business risks, the Transformation and Priority Initiatives Fund (TPIF).
79. In June Cabinet approved carry-forwards of £1.598m which are now included within individual directorate budgets. There is also £195k in respect of grants brought forward from earlier years that will be drawn down as utilised. The main grant is Planning Development Grant.
80. The balance on the Transformation and Priority Initiatives Fund (TPIF) brought forward from 2014/15 is £3.819m. There have been drawdowns of £14k in relation to North Harrow library and £60k in respect of grass verge maintenance. This leaves a balance of £3.745m in the fund at Quarter 2.
81. The balance on the Business Risk reserve brought forward from 2014/15 was £2.109m. This is intended to cover a number of commercial risks that were identified. There has been one drawdown this year of £218k in relation to Waste management costs in relation to West London Waste Authority. This leaves a balance of £1.891m.
82. The balance on the MTFs Implementation reserve brought forward from 2014/15 was £2.804m. A further £486k was added to the reserve from the in-year savings agreed at July Cabinet, to make £3.290m in total. There have been drawdowns of £0.932m to date leaving a balance of £2.358m.
83. The Standing up for those in need reserve was created at June cabinet with a balance of £0.800m. No drawdowns have taken place to date.
84. When Cabinet agreed in-year savings in July it agreed £1m of the savings would be used to create a Homelessness / Welfare Reform

reserve. It is proposed in the light of the ongoing pressures on B&B that this reserve is fully utilised to mitigate the overspend that is occurring.

85. The Rapid Response reserve was created in June as part of the outturn report with a balance of £75k. There have been no drawdowns so far.
86. The commercialisation reserve was created from the in-year savings approved at July cabinet with a balance of £1m. There have been drawdowns of £389k to date, leaving a balance of £0.611m. Anticipated savings of £5m on commercialisation projects within the council have been identified so far.

Table 4 Contingencies and Earmarked Reserves

	Unforeseen Contingency	Energy Inflation	Rapid Response	IT Implementation	Standing up for those in need	Welfare Reform / Homelessness	Commercialisation	TPIF	Carry Forward	Business Risk Reserve	MTFS Implementation
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at start of Year	1248	350	0	0		0		3,819	195	2,109	2,750
Addition June Cabinet Outturn			75	2,854	800				1,598		54
Addition July Cabinet						1,000	1,000				486
Draw down *	(665)			(1,762)			(389)	(74)	(1,598)	(218)	(932)
Balance	583	350	75	1,092	800	1,000	611	3,745	195	1,891	2,358

* contingency draw down assumed use

Reserves and Provisions

87. The Council must hold adequate provisions and reserve balances to cover known and anticipated events and in respect of its statutory duties as appropriate. General non earmarked balances stand at £10m. All the provisions are reviewed on a quarterly basis. As at Quarter 2 the Council has adequate provisions in respect of Insurance, Litigation and Employment cases.

Debt Management

88. The latest position on Council Tax, Business Rates and Housing Benefits bad debts provisions is included within Appendix 3.

MTFS IMPLEMENTATION TRACKER

89. The 2015/16 budget includes approved MTFS savings of £18.720m. The progress on implementation is summarised below in table 5 below and shown in more detail in Appendix 2:

Table 5 RAG Rating of 2015/16 Savings

	Resources	Community	People	Regeneration	Business Support	Pan Organisation	Total
	£000	£000	£000	£000	£000	£000	£000
Red	50	485	0	0	0	0	535
Amber	166	2,243	2,291	0	820	0	5,520
Green	1,395	779	3,047	50	0	0	5,271
Blue	2,582	2,214	1,099	0	0	1,500	7,394
Total	4,193	5,721	6,437	50	820	1,500	18,720

CAPITAL PROGRAMME

Capital Programme Forecast at Quarter 2

90. The 2015/16 capital programme agreed by Council in February 2015 totalled £88.911m. Adjusted for slippage at the 2014/15 outturn and other approved addition to the programme now totals £157.587m at Quarter 2.
91. The forecast at Quarter 2 is £118.996m, 76% of the total capital programme, a reduction of 7% when compared with Quarter 1. This will continue to be monitored closely.
92. The forecast variance on General Fund at Quarter 2 is an underspend of £27.358m (21.4%). The forecast underspend comprises of slippage of £25.700 and underspends of £1.658m
93. The forecast variance on the HRA is £11.233m, comprising of slippage of £10.635m and underspends of £0.598m.
94. Tables 5 and 6 below summarise the capital forecast position and Appendix 4 shows the capital programme in more detail:

Table 5 Summary of forecast by directorate

Directorate	Original Programme	CFWD's	Virement	Other Adjustment	External	LBH	TOTAL BUDGET	Actuals	Forecast Spend	Forecast Variance	Slippage	Underspend after slippage
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
PEOPLE	32,946	32,973	0	0	55,488	10,431	65,919	28,475	52,993	-12,926	12,713	-213
COMMUNITY	17,558	6,878	2,200	9,613	8,921	27,328	36,249	6,397	26,613	-9,636	8,285	-1,351
RESOURCES	14,503	8,544	-2,100	0	0	20,947	20,947	5,169	16,473	-4,474	4,380	-94
REGENERATION	2,248	0	-100	2,325	198	4,275	4,473	120	4,151	-322	322	0
TOTAL GENERAL FUND	67,255	48,395	0	11,938	64,607	62,982	127,588	40,162	100,231	-27,358	25,700	-1,658
TOTAL HRA	21,656	2,241	0	6,102	923	29,076	29,999	2,578	18,766	-11,233	10,635	-598
TOTAL GENERAL FUND & HRA	88,911	50,636	0	18,040	65,530	92,058	157,587	42,740	118,996	-38,591	36,335	-2,256

Table 6 Analysis of Forecast Outturn variance

Directorate	Outturn variance	Split of outturn variance by funding		Slippage	Slippage by funding		Underspend after slippage	Split of Underspend after slippage	
		Grant/sec106	LBH		Grant /Sec 106/ HRA	LBH		Grant	LBH
	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
PEOPLE	-12,926	-9,720	-3,206	-12,713	-9,670	-3,043	-213	50	163
COMMUNITY	-9,636	-8,973	-663	-8,285	-7,667	-618	-1,351	1,351	0
RESOURCES	-4474	0	-4474	-4380	0	-4380	-94	0	94
REGENERATION	-322	0	-322	-322	0	-322	0	0	0
TOTAL GENERAL FUND	-27,358	-18,693	-8,665	-25,700	-17,337	-8,363	-1,658	1,401	257
TOTAL HRA	-11,233	0	-11,233	-10,635	-10,635	0	-598	0	598
TOTAL	-38,591	-18,693	-19,898	-36,335	-27,972	-8,363	-2,256	1,401	855

RESOURCES DIRECTORATE

95. As at Quarter 1 the forecast spend was £16.473m, 81% of the 2015/16 Resource's directorate capital budget. At Quarter 2 the revised forecast remains £16.473m.
96. The forecast under spend is £4.474m of which £4.380m will be slipped to 2016-17 and £94k is no longer needed. The main items of slippage are detailed below:
97. West London Waste Authority (WLWA) loan. The expected payment to WLWA in respect of a loan for infrastructure is currently projected to slip by £297k, based on the latest payment profile supplied by WLWA. The revenue implication is a minor interest loss on the loan of around £2k.
98. Mobile & Flexible working. Accommodation, Power supplies working Peripherals budget will all be spent, other Council capital budgets for project teams, standing groups needed to deliver SharePoint will require further research, as a result of this £391k will be slipped. The direct revenue implication is a saving on the support payment that would have been paid from completion; it is currently projected as £132k one-off in 2015/16.
99. Transition and Transformation of IT service. £3.692m of the budget will be slipped to 2015/16 to reflect the current profile of implementation. There is no quantifiable revenue implication.
100. There is a net underspend across the directorate of £94k as detailed below:
101. Ongoing refresh and enhancement of ICT. £63k of the budget allocated to waste vehicle in-cab refresh and for Tablets is anticipated to

underspend. In addition £50k allocated to the refresh of scanners is anticipated to underspend as a result of outsourcing the service.

102. It is not possible at the moment to accurately assess the level of ICT programme that can be delivered by the new ICT contractor Sopra Steria until after the start of the new contract when discussions will begin to quantify the level of work that can be delivered in 15/16 which will have a direct impact on the capital outturn.

COMMUNITY DIRECTORATE

103. As at Quarter 2 the revised forecast is £26.613m, 73% of the total budget.

Environment & Commissioning

104. At Quarter 2 the revised forecast is £19.896m
105. The forecast under spend is £2.706m, and will all be slipped to 2016/17.
106. The main item of slippage and reasons are detailed below:
107. Harrow on the Hill Station project - £2m. This project is assumed to be largely funded by TfL with a contribution from the Council of £3.1m over the life of the project. Some preliminary works were completed in 14/15. The scheme is currently under discussion with the TfL, and therefore it is anticipated that the budget profiled for this year will be slipped.
108. The project is currently paused. Due to the uncertainties around the timescale for delivery, it is estimated at this stage that only minimal spend will be incurred in 15/16, with the majority of the budget being slipped to 16/17.
109. Green Grid Programme – The forecast slippage of £188k relates to Stanmore Marsh project which is partially funded by the GLA, S106 monies and Harrow capital. This is a two year project but there is a spend deadline for the GLA grant of 31st March 2015, and therefore the funding has been profiled to utilise the GLA grant in this financial year and S106 monies in 16/17. The S106 budget for this project has been agreed and set aside to meet the remaining expenditure on Stanmore Marsh project next year.

Culture

110. Banister Sports Centre Improvement – This development is linked to Kodak site, this has already been approved by the planning committee and s106 money secured. However a decision is still pending on the sale of land on Kodak site, no further plans can be made until this happened. There is no revenue impact. (£1.004m).
111. Headstone Manor – On-going project with Heritage Lottery Fund, forecast relates to phase one of the project, underspend will be slipped to 2016/17. There is no revenue implication. (£100k).

Housing General Fund

112. Empty Property Grant - Grant payments to private residents in return for nomination right to house homeless persons in these properties as opposed to more expensive Bed & Breakfast accommodation, traditionally underspent, results in lower number of properties becoming available thereby increasing pressure on General Fund (£45k).
113. Reform Of Social Housing – Planned programme of spend relating to IT upgrade of systems again partly dependant on work load of the new IT contractor and therefore estimated slippage of (£755k). No direct revenue implication.
114. Green Deal Communities- Grant payments to private residents for warmer homes and energy saving insulation, grant funded from the Department of Energy and Climate Change, the initiative is not now going to proceed and the grant monies are to be returned to the grant provider. No incremental staff resources were allocated therefore there is no revenue impact to curtailment of the scheme (£1.351m).

PEOPLE

115. At Quarter 2 the forecast spend is £52.993m, 81% of the 2015/16 People's directorate capital budget.
116. The forecast under spend is £12.926m of which £12.713m will be slipped to 2016-17 and £213k is no longer needed. The main items of slippage are detailed below:

Adults

117. At Quarter 2 the forecast spent is £821k, 21% of the approved capital programme.
118. The directorate variance is £3.182m of which £2.869m is slippage and £213k underspends.
119. The following schemes in the programme will be slipped for the following reasons:
120. MOSAIC Implementation - Once new IT provider has started, it will be possible to firm up spend projections, however as this is not due to take place until later in the financial year, only 50% is forecast to be spent by year end (£305k)
121. Remodelling and Refurbishment of Adult Residential and day Care properties – There is limited programme planned for Remodelling and Refurbishment this year, therefore slippage of (£422k) – The revenue implication of this is a risk of additional maintenance cost on ageing buildings.
122. Safeguarding Quality Assurance Quadrants (QAQ) - Planned programme of spend in year relates to server upgrade, this is dependent on work load of the new IT contractor and therefore it is

estimated that there will be slippage of (£168k). No direct revenue implication.

123. Integrated Health Model – Planned spend on N3 connections. Connections relate to integration between Adult Social care and the NHS, reviewing of service team needs. As the project is in its early stages, it is anticipated that the majority of the budget will be slipped into future financial years (£472k). No quantifiable revenue implication, although greater co-ordination between NHS and Adult Services may bring efficiencies.
124. Market Shaping & Development – Relates to Care Act duty and collation of business intelligence for providers through IT. Planned programme of work for the year is (£100k) together with the remaining (£150k) is to be slipped. There is no direct revenue implication.
125. Maintenance of Adults Properties – This budget is unlikely to be spent in year and the entire budget of (£149k) is currently forecast to be slipped. This is effectively a contingency budget. No further revenue implication is forecast, as underspend against budget has already been forecast against remodelling and refurbishment of residential and day care properties.
126. Quality Outcome for People with Dementia (£150k) slippage. This is a result of delays in developing detailed proposals for the project.
127. Reform Of Social Care Funding - Some software cost has been forecast, the remaining budget will be slipped into next financial year. (£755k).
128. Adult Social Care Integration of IT Systems – This project is expected to deliver a financial assessment module i.e. means testing. Change request is to go to capital forum to facilitate the conversion of Core logic software. Budget of (£66k) will be slipped.
129. Community Capacity Grant - Proposals to spend the grant are still being developed and it is anticipated that there will be no spend in the current year, giving slippage of (£232k).
130. In addition to the slippage above the following schemes are under spending;
131. Carer's Service charges (£200k) this is to be discontinued as work is no longer required against this project.
132. Mental Health Supported Housing Repair - This project will be close by year end (£13k).

Schools

133. As at Quarter 1 the forecast spend was £61.917m. At Quarter 2 forecast is £51.173m 83% of the approved budget and 17% reduction when compare to Quarter 1. The following paragraphs outline the progress on the schools programme.

134. The latest forecast provided by the cost consultants for School Expansion Programme SEP2 and some overhanging SEP1 projects has been received for August 2015. This is a fast moving operating across 18 school sites and there are a number of issues in the programme arising daily. They include items omitted/excluded from the Agreed Maximum Price (AMP) schedules, delays leading to additional costs including Plan B options for works not completed by September 2015 and a number of external unforeseen factors such as UK Power. Although the Council expects Keepmoat to meet the costs for delays and providing temporary mobile units, any additional costs that fall to the Council as a result of these delays will create pressure on the programme budget which is also exposed to other cost increases.
135. All the projects are live and the accounts need clarifying and agreeing with Keepmoat before the final position is confirmed. It is anticipated the worst case scenario forecast figures will not all come to fruition and that the programme will still be affordable within the budget. However, the programme is continually changing and therefore there is still a risk to this budget.

Primary Expansion Programme

136. Until the free schools are definitely established, the existing capital programme assumes none of the primary free schools are delivered. If the free schools are delivered, the need for Phase 4 expansions in the capital programme would be reviewed.

Phase 3

137. All SEP3 schools are on very confined sites within heavily residential areas. Consequently this brings additional challenges to the building programme with enhanced planning requirements mainly around traffic and the size and type of building planning will allow. Furthermore, due to works having to be carried out whilst schools are in occupation means the building process will be longer which impacts on project costs.
138. The current construction market in the UK and in particular in London is extremely buoyant with many construction firms working to capacity and will full order books. Because of this the cost of construction related materials, labour and professional services are at a premium. This means the current SEP3 budget has had to rise to keep pace with the rising costs of the London construction market. A virement from Phase 4 to Phase 3 was agreed by Cabinet in September 2015.

Phase 4

139. There are currently 4 primary expansion programme budgets approved in the capital programme. As stated above, if the free schools are delivered, there may not need to be a phase 4 of the primary expansion programme.

Quarter 2 forecast

140. As at Quarter 2 the directorate is predicting to spend approximately 83% of the total capital programme by 31st March 2016. SEP1, SEP2, secondary and SEN expansion programmes, which form over 75% of the total 2015-16 budget delivered places by September 2015. Whilst

there have been some delays to some of these schemes, it is anticipated that the final accounts will be settled by March 2016. Contracts for the SEP3 budget are anticipated to be awarded in early autumn and therefore the majority of this in year budget is anticipated to slip into next financial year.

Basic Need allocations 2017-18 and additional funding 2015-17

141. On 12 February 2015, the Department for Education announced the latest Basic Need allocations. In addition to the 2017-18 new allocation, the Government has allocated “top up” funding in 2015-16 and 2016-17 to distribute £300 million held back for those local authorities with unexpected increases in forecast pupils. Local authorities which have reported an increase in their forecast of total pupil numbers for academic year 2017-18 of at least 2% and 250 pupils receive a portion of this funding in 2015-16 and 2016-17, to reflect their unexpected increase in need. Harrow is one of only four London boroughs to successfully receive top up funding in these years and an increase in allocations over future years, totalling £19.6m, over and above the current capital programme. This funding is not yet included in the capital programme. This additional funding will be considered as part of the capital programme review to be presented to Cabinet in December 2015.

REGENERATION

142. At Quarter 2, Regeneration and Planning Division spent is forecasting £4.151m 93% of the approve capital programme.
143. The 2015/16 capital budget for Regeneration Programme was increased by £2.2m following Cabinet and Council approvals in September, as part of the wider report to progress on the re-development of two of the key strategic sites. Plans are put in place and work is underway to utilise this additional funding on the procurement of design teams for Station Road Quarter and Wealdstone new civic centre site, master planning for various other strategic sites, and additional procurement, project and programme support. Part of this funding will also be used as part of land.
144. The Division forecast to spend £4.15m (or 93%) on this year’s budget allocation. The main reasons for slippage are as follows:
145. The procurement route for the Wealdstone site design team is via OJEU notice which will take a number of weeks before a preferred supplier can be identified and contract awarded, and therefore a spend below budget is anticipated and a slippage of £200k is forecast to reflect a more realistic and achievable delivery timescale.
146. The site acquisition in Wealdstone is at a critical stage and subject to on-going review.
147. The full utilisation of the budget allocated for Leisure Centre and Greenhill Way will depend on whether work/further study is being progressed this year which is subject to advice and/or agreement by Regeneration Board. At Q2, £50k is forecast to slip to 2016/17.

148. Project, Programme and Procurement support required to take the schemes forward is being reviewed and internal and external recruitment to increase fixed term and temporary project management resource is progressing well with additional people to start in November and December. At this stage, £70k is forecast to slip to 2016/17.

Housing Revenue Account

149. As at Quarter 1 the spend forecast is £23.571m, 99% of the 2015/16 HRA's latest capital Budget. At Quarter 2 the revised forecast is £18.766m 63% of the approved capital budget and a significant reduction when compare to Quarter 1.
150. The forecast under spend is £11.233m of which £10.635m will be slipped into 16/17 while £598k will not be required this year.
151. This project is in relation to investment in Council owned housing stock - financed entirely from HRA, underspend/slippage will have no revenue impact on HRA as majority of financing is by way of a pre-determined charge to revenue which transfers resources to earmarked capital reserves.

HRA Affordable Housing (Homes 4Harrow)

152. It has always need anticipated that there will be need to review the completion time for this project once there is active engage in the market submission as a result of adverse feedback from initial residential consultation.
153. There was also a need for additional clarifications on tenders for the first build contract as a result of significantly higher tender prices being received; this in turn has lead delay in letting the contract and subsequent delay in planning permission.

Additions to the Capital Programme

154. A budget of £2.074m for the TfL funded Local Implementation Plan (LIP) was included in the original 15/16 capital programme based on our best knowledge of what the funding allocation would be for the year. From time to time during the course of the financial year, it is not uncommon that there are re-allocations of budgets between agreed schemes, and/or new schemes added to the Programme following agreements from TfL. The latest total estimated capital cost for the 15/16 LIP are £2.124m, which will be fully funded from TfL grant. Similarly the 15/16 actual costs in relation to 14/15 completed LIP were £0.720m for which the full amount has been claimed back from TfL. The budget for these 14/15 schemes should be aligned to match actual costs. Together, these represent an increase in capital budget of £106K on the current programme, and it is recommended that Cabinet approve this addition.
155. A budget of £256k for HRA Grants to Move was included in the 15/16 original capital programme which has subsequently been increased to £350k, by virement as a result of increased demand. The budget is used to assist secure Council tenants in purchasing their own properties thereby releasing Council stock for utilisation in accordance

with the Council's approved allocation policy. Additional grant funding has been identified which will permit an additional £240k of these grants to be awarded which will expedite this initiative, and it is recommended that Cabinet approve this addition.

Legal Implications

156. Section 151 of the Local Government Act 1972 states that without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". Section 28 of the Local Government Act 2003 imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against budget calculations.
157. Under Allocation of Responsibilities in the Constitution, Council is responsible for all decisions, which are expected to result in variations to agreed revenue or capital budgets. Cabinet must agree, or delegate agreement for all virements between budgets as set by the Financial Regulations.
158. Under the Council's Financial Regulations, additions of up to £500k to the capital programme can be made by Cabinet in respect of specific projects where:
- the expenditure is wholly covered by additional external sources;
 - the expenditure is in accordance with at least one of the priorities listed in the capital programme; and
 - there are no significant full year revenue budget effects

This provision is subject to an overall limit of £2.5m in any one financial year.

Equalities

159. Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:
160. A public authority must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
161. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
162. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
163. Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- (a) Tackle prejudice, and
 - (b) Promote understanding.
164. Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:
- a) Age
 - b) Disability
 - c) Gender reassignment
 - d) Pregnancy and maternity
 - e) Race,
 - f) Religion or belief
 - g) Sex
 - h) Sexual orientation
 - i) Marriage and Civil partnership

Financial Implications

165. Financial matters are integral to the report.

Performance Issues

166. Good financial performance is essential to achieving a balanced budget. The financial performance is integrated with the strategic performance of the Council through quarterly Directorate Improvement Boards which consider the financial position alongside performance including key projects, service KPIs (including customer data and complaints) and workforce. Monitoring of finance and performance is reported regularly to the Corporate Strategic Board and Cabinet and is also considered by the Council's Performance and Finance Scrutiny Sub- Committee.
167. The overall projected percentage variance from the revenue budget is currently forecast to be an overspend of 2.1%.
168. For the 2015/16 savings built into the MTFs, the overall position is that 40% of the savings are RAG rated as blue (achieved and banked), 25% green (achievement of saving on track), 32% amber (saving only partially achieved or risks remaining) and 3% red (agreed saving not achievable).
169. There is a performance target of 90% of the approved capital programme for 2015/16 being spent in year. The current projection is for spend to be 92% of budget.
170. Council Tax Collection: The collection rate for Quarter 1 is 30.05% against a profile target of 30.00%
171. Business Rates Collection: The collection rate for Quarter 1 is a collection rate of 33.41% against a profile target of 33.00%.

Environmental Impact

172. There are none directly related to this report

Risk Management Implications

173. The risks to the Council and how they are being managed are set out in the report.
174. Risks are included on the Directorate risk registers.

Equalities implications / Public Sector Equality Duty

175. A full equalities impact assessment was completed on the 2015/16 budget when the budget was set by Full Council. Equalities implications are taken into account by individual directorates whilst running services and making decisions to vire money. A full equality impact assessment will be completed on the budget for 2016/17.

Council Priorities

176. The Council's vision is:

Working Together to Make a Difference for Harrow

177. The Council's priorities are:

- Making a difference for the vulnerable
- Making a difference for communities
- Making a difference for local businesses
- Making a difference for families

178. This report deals with Revenue and Capital monitoring which is key to delivering the infrastructure to deliver the Council's priorities.

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 30 November 2015		
Name: Caroline Eccles	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 30 November 2015		

Ward Councillors notified:	NO, as it impacts on all Wards
EqIA carried out:	NO
EqIA cleared by:	Information for noting only

Section 6 - Contact Details and Background Papers

Contact:

Steve Tingle (steve.tingle@harrow.gov.uk), Senior Financial Advisor Tel: 020 8420 9384

Background Papers:

Cabinet February 19 2015: [Final Revenue Budget 2015/16 and Medium Term Financial Strategy 2015/16 to 2018/19](#)

Cabinet February 19 2015: [Capital Programme 2015/16 to 2018/19](#)

Cabinet June 2015: [Revenue and Capital Outturn 2014-15](#)

Cabinet September 2015: [Revenue and Capital Monitoring as at 30 June 2015](#)

**Call-In Waived by the
Chairman of Overview
and Scrutiny
Committee**

NOT APPLICABLE

[Call-in applies]

Appendix 1

Revenue Summary							
	Revised Budget	Forecast Outturn	Quarter 2 Variance	Mitigating Actions	Variance at Q2 After Mitigation	Q1 Variance	Movement Q1 to Q2
	£000	£000	£000	£000	£000	£000	£000
Resources							
Controllable Budget							
Customer Services	24,381	24,825	444		444	218	226
Director of Resources	860	484	(376)		(376)	(334)	(42)
HRD & Shared Services	1,797	1,725	(72)		(72)	53	(125)
Legal & Governance	3,043	3,039	(4)		(4)	21	(25)
Procurement	907	976	69		69	37	32
Strategic Commissioning	2,198	2,200	2		2	(40)	42
Assurance	611	589	(22)		(22)	15	(37)
Finance	3,774	3,731	(43)		(43)	(32)	(11)
Grants & Community Lettings	825	784	(41)		(41)	0	(41)
Total Controllable Budget	38,396	38,353	(43)	0	(43)	(62)	19
Uncontrollable Budget	(17,960)	(17,960)	0		0		0
Total Directorate Budget	20,436	20,393	(43)	0	(43)	(62)	19
Community							
Controllable Budget							
Environment & Commissioning	21,358	22,063	705	(730)	(25)	917	(942)
Culture	2,422	2,621	199	(97)	102	284	(182)
Housing General Fund	4,035	5,951	1,916	(1,141)	775	2,002	(1,227)
Total Controllable Budget	27,815	30,635	2,820	(1,968)	852	3,203	(2,351)
Uncontrollable Budget	18,677	18,677	0		0		0
Total Directorate Budget	46,492	49,312	2,820	(1,968)	852	3,203	(2,351)
People							
Controllable Budget							
Adult Services	53,846	54,495	649	(595)	54	634	(580)
Public Health	(727)	(727)	0		0	0	0
Adults Transformation	184	224	40		40	40	0
Children & Families	28,464	29,604	1,140	(274)	866	1291	(425)
Total Controllable Budget	81,767	83,596	1,829	(869)	960	1,965	(1,005)
One off Children's Social Care Reserve	866	0	(866)		(866)	-866	0
Uncontrollable Budget	18,717	18,717	0		0		0
Total Directorate Budget	101,350	102,313	963	(869)	94	1,099	(1,005)
Regeneration							
Economic Development & Research	1,707	1,628	(79)		(79)	(14)	(65)
Planning	395	374	(21)		(21)	0	(21)
Total Controllable Budget	2,102	2,002	(100)	0	(100)	(14)	(86)
Uncontrollable Budget	1,134	1,134	0		0		0
Total Directorate Budget	3,236	3,136	(100)	0	(100)	(14)	(86)
Business Support							0
Business Support	2,944	3,444	500		500	573	(73)
Uncontrollable Budget	(838)	(838)	0		0		0
Total Business Support	2,106	2,606	500	0	500	573	(73)
Total Directorate Budgets	174,458	178,598	4,140	(2,837)	1,303	4,799	(3,496)
Corporate Items	(7,487)	(8,125)	(638)		(638)	0	(638)
Corporate Contingency	1,248	583	(665)		(665)	-1248	583
Total Budget Requirement	167,381	170,218	2,837	(2,837)	0	3,551	(3,551)

MTFS Savings Tracker 2015/16 to 2018/19

Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
Resources									
Savings									
RES01	Finance and Assurance	Staff savings	304				304	Blue	Posts deleted as part of minor restructure
RES02	Finance and Assurance	Additional Charge to the Pension Fund to reflect time spent by the Director of Finance and other Finance and Assurance staff on Pension Fund matters.	80				80	Blue	Saving achieved as an early saving in 2014/15
RES03	Finance and Assurance	On going review of the Finance and Assurance structure for which proposals will need to be developed.	-	250	500	500	1,250	Amber	Future year saving's status will become clearer as the year progress
RES04	Finance and Assurance	Reduction in annual contribution to the Insurance Fund to reflect improved claims performance (lower level of claims paid out)	200				200	Blue	Contribution reduced
RES05	Finance and Assurance	Additional Treasury returns via lending to WLWA (Incinerator project - Loan approved by Council 4th July 2013)	350				350	Blue	Achieved
RES06	Finance and Assurance	Business Continuity Additional Income	30				30	Amber	SunGard budget taken, but current demand on service cannot be met through existing budget without significantly raising income. Opportunities are being explored, but we are also considering what the impact of a reduction in the service would be to meet a balanced budget position'.
RES07	HR & Shared Services	Re-organisation of the HR, Development and Shared Service function which will result in the deletion of approximately 18 fte	495				495	Blue	Staff have left posts and saving banked
RES08	HR & Shared Services	Further HR, Development and Shared Service savings for which detailed proposals will need to be developed			550	250	800	Amber	Proposals being delivered to achieve saving

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MTFS Savings Tracker 2015/16 to 2018/19

Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
RES09	HR & Shared Services	Additional savings in delivery including efficiencies through the transfer of the Health & Safety function to Environment & Enterprise and the re-charging of relevant payroll expenditure to the Pension Fund (no estimated reduction in FTE). (Resources element of saving)	169				169	Blue	Health and Safety function has now moved to Environment and Enterprise, recharge to pension by £80k
RES10	HR & Shared Services	Reduce Occupational Health support	50				50	Amber	The government Fit For Work scheme has been delayed and will not now be rolled out in London until October 2015.
RES10a	HR & Shared Services	Reduce Occupational Health support	50				50	Red	As a result of delay to government Fit For Work Scheme, this savings will not be achieved.
RES11	HR & Shared Services	Reduce Corporate Learning & Development for staff	100				100	Blue	Saving banked and staff have left posts
RES12	Legal & Dem Services	Reduction in Legal cost, in the initial instance by growing the business	144	144	144	144	576	Green	The achievement of this saving in 2015/16 is dependant on the success of the new arrangement with Hounslow. This will be reviewed in quarter 3.
RES13	Legal & Dem Services	Amalgamation of two teams to become Democratic and Electoral Services and staff reduction - Mayor Office	86				86	Amber	Budget reduced and partly achieved with 2 staff made redundant but has not been reflected in the organisation structure. This will be reviewed in quarter 2
RES15	Procurement	Restructuring of the Commercial, Contracts and Procurement Division's function.	50		201	151	402	Blue	achieved
RES16	Strategic Commissioning	Retender of the Communications Service to take account of reductions in spend phased in the following way: 2015/16 - 20% reduction, 2016/17 - 10% reduction, 2017/18 - 10% reduction.	114	57	57		228	Blue	2015/16 Saving banked - Future year saving's status will become clearer as the year progress
RES17	Strategic Commissioning	Retendering of the Healthwatch service, reducing the core spend by this amount.	80				80	Blue	Saving banked

MTFS Savings Tracker 2015/16 to 2018/19

Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
RES18	Strategic Commissioning	Stop funding Harrow Senior Residents Assembly / Decommissioning of Scrutiny Projects Budget	21				21	Blue	Saving banked
RES19	Strategic Commissioning	Stop the Objective Portal Contribution from the Division, used for online consultations.	8				8	Blue	Contract ends in October 2015. Owned by Planning who are also stopping the use of the Portal.
RES20	Strategic Commissioning	Staff restructure of existing posts and making greater use of apprentices and graduate placements	129.5				129.5	Blue	savings banked
CHW11a	Grants & Community Lettings	Review of voluntary sector funding	270				270	Green	All organisations have now signed their SLAs for 2015-16
RES21	Resources Wide	Management Savings		150			150	Amber	Future year saving - will become clearer as the year progress
RES22	Customer Services & IT	Efficiency Savings – Staff reductions due to the implementation of more automation and self service forms in Revenues and Benefits	459				459	Blue	Savings achieved and Budget adjusted in 2015/15 budget
RES23	Customer Services & IT	Increased Income from Harrow Helpline and reduction in staffing costs	200	50			250	Green	Consultation underway regarding price increase (due to commence in Sept)
RES24	Customer Services & IT	Project Management Office - staff savings. Deletion of 1 fte PMO (currently vacant) in 2014/15 to achieve a saving of £24k in 2014/15 and £22k in 2015/16.	22				22	Blue	Post deleted in 2014/15 as an early saving
RES25	Customer Services & IT	Procurement savings across the contracts managed within the division.	541	949			1,490	Green	2015/16 saving anticipated to be achieved but not 2016/17

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MTFS Savings Tracker 2015/16 to 2018/19

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
RES26	Customer Services & IT	Reduce the cost of Access Harrow by migrating customers to more efficient channels. This will be delivered through improved self-service availability in the One Stop Shop, greater use of IVR over the telephone and enhanced functionality via the website and MyHarrow account. Resources will be aligned to the subsequent drop in demand and as channels are closed.	100		200	300	600	Green	Staff savings are in place and the Cabinet report regarding proposed rise in price is going to the cabinet meeting in July, other project such as Channel Shift is also underway. - Future year's savings status will become clearer as the year progress.
Total Savings Approved February 2015			4,053	1,600	1,652	1,345	8,649		
RES078	Collections and Benefits	Deletion of 4 FTE posts in Housing Benefits	140	-			140	Green	Savings achieved and Budget adjusted in 2015/15 budget
RES082	Collections and Benefits	Revenues Staffing Reductions	-	40			40	Amber	Dependent on Universal Credit implementation
RES083	Collections and Benefits	Housing Benefits Staffing Reductions as Benefits moves to DWP. Reduced staffing required as Housing Benefits transfers to Universal Credit and is no longer administered by Harrow.	-	125			125	Amber	Dependent on Universal Credit implementation
Total Savings			4,193	1,765	1,652	1,345	8,954		
Community									
E&E_01	Commissioning Services	Trading Standards - Further cost reduction in Trading Standards service by re-negotiating the Service Level Agreement with London Borough of Brent		40	40		80	Green	£20k of 2016/17 savings will be achieved in year 15/16 and a budget reduction has been actioned to reflect this.
E&E_03	Commissioning Services - Community Engagement	School Crossing Patrols - service to be funded directly by schools via Service Level Agreement (SLA). If any school chooses not to enter into a SLA, the service for that school will cease.	-	64			64	Green	School feedback has indicated that 50% of schools will take up the SLA. Schools wishing to transfer staff and responsibility will be offered training support prior to handover.
E&E_04	Commissioning Services - Contract Mgt	Staff Efficiencies across the Division - Deletion of contract manager post (currently vacant)	73				73	Blue	Contracts manager post has been deleted.

MTFS Savings Tracker 2015/16 to 2018/19

Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
E&E_05	Commissioning Services - Contract Mgt & Policy	Staff Efficiencies across the Division - Deletion of 3 posts	48		86		134	Blue	Accommodation and Project manager post have been deleted.
E&E_06	Commissioning Services - Facilities Mgt	Reduction in Facilities Management costs - reduce the controllable budget by 20% in the first 2 years through re-structuring and changing ways of service delivery and a further 5% over Years 3 & 4 through additional efficiencies post re-structuring. Consultation with staff already underway and it is proposed to delete 8 posts, 3 of these are currently vacant.	300	44	44	22	410	Blue	Restructure completed. Budgets realigned. New Facilities Management contract in place from 1 July 2015. 2016/17 savings, £44k, will be achieved in year 15/16 and a budget reduction has been actioned to reflect this.
E&E_07	Commissioning Services - Facilities Mgt	Introduction of staff car parking charges	20	30	-	-	50	Green	Consulation completed. New charges are effective from 1 June 2015. Current collection rates suggest this will be achieved in full. £10k of 2016/17 savings will be achieved in year 15/16 and a budget reduction has been actioned to reflect this.
E&E_08	Commissioning Services - Highway Services	Reduce highways maintenance budget - Changes to the response times on non urgent works i.e. respond to these in 48 hours instead of existing 24 hours.	127	84	45		256	Green	The budgets have been reduced. On-going monitoring of actual expenditure will indicate if savings have been realised. £50k of 2016/17 savings will be achieved in year 15/16 and a budget reduction has been actioned to reflect this.
E&E_09	Commissioning Services - Highways	Highways Contract - Extend the scope of the Highways Contract to include scheme design and / or inspection services when the contract is re-procured (current contract will expire in 16/17).			120	120	240	Green	
E&E_10	Commissioning Services - Highways	Review salary capitalisation of highway programme & TfL funded projects		100	50	50	200	Green	£50k of 2016/17 savings has been brought forward into 2015/16. This is being monitored in year.

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MTFS Savings Tracker 2015/16 to 2018/19

Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
E&E_11	Commissioning Services - Network Mgt	Additional income - from permitting scheme	60	20	10		90	Green	On track to achieve additional income from Street works.
E&E_12	Commissioning Services - Street Lighting	Changes in Street Lighting Policy to include variable lighting solutions.	30	68	10	12	120	Green	The budgets have been reduced. On-going monitoring of actual expenditure will indicate if savings have been realised.
E&E_13	Commissioning Services - Street Lighting and Drainage	Street lighting and Drainage budgets - capital investment allows for lower maintenance costs	60	25	40		125	Green	The budgets have been reduced. On-going monitoring of actual expenditure will indicate if savings have been realised.
E&E_14	Commissioning Services - Winter Gritting	Reduction in winter gritting budgets - renegotiation of winter gritting contract - adopt a risk sharing approach and move away from the current fixed pricing for the service	10	20		10	40	Red	An alternative arrangement to the current lump sum fee is to be re-negotiated such as "pay as you go", however the contract renegotiation is not being undertaken until 2016.
E&E_15	Directorate wide	Staff Efficiencies following the merger of the Business & Service Development and Commissioning Services Divisions.	124				124	Blue	2 posts were deleted in 14/15 and the saving has been realised.
E&E_16	Directorate wide	Management Efficiencies - Reduce staff budget in Directorate Management by £130K.	53				53	Blue	The post was deleted in 14/15 and this saving has been realised.
E&E_18	Directorate wide	Staff Efficiencies following the merger of the Business & Service Development and Commissioning Services Divisions - Delete one performance management officer post and a cemetery superintendent post as of 31 March 2015. In addition, further efficiencies to be achieved in Environmental Services Delivery and Commissioning Divisions in 17/18.	72		30	50	152	Blue	Posts have been deleted.

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MTFS Savings Tracker 2015/16 to 2018/19

Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
E&E_19	Directorate wide	Increase Fees & Charges - harmonise our cemetery charges with London Borough of Brent for the shared site at Carpenders Park, and increase the minimum charge for residual waste disposal by trade customers at CA site to cover the cost of disposal.	50				50	Green	Cemetry charges have increased in 15/16 per fees & chgs schedule.
E&E_20	Directorate-wide	Contractual/commissioned/SLA savings - To seek maximum value in savings from existing contracts, Service Level Agreements and all services commissioned, from third parties by re-negotiating terms that will yield cashable savings. To secure on-going cashable benefits from gain share and third party income arrangements.	300	200	200		700	Amber	The saving from the new FM contract will contribute towards this target (NB. there is also a £200K target in Pan Organisation saving for FM). The forward procurement plan for the directorate is being shaped to identify procurement savings for the rest of the financial year.
E&E_21	Directorate-wide	Efficiencies saving - Remove Supplies & Services budget in Directorate Management.	170				170	Blue	Saving achieved.
E&E_22	Environmental Services - Env Health	Environmental Health Staffing: Reduce professional staffing by 2 Environmental Health Officer posts and 2 Technical Officer posts reducing service levels to residents and businesses proportionately	175				175	Blue	4 posts have been deleted. This saving has been achieved.
E&E_23	Environmental Services - Env Health	Environmental Health out of hours noise nuisance response service. Delete this service.	50				50	Blue	Out of Hours service has ceased.
E&E_24	Environmental Services - Harrow Pride	Responsive zonal street cleaning for residential streets: Move to a more targeted approach of responsive street cleaning service away from the current rota of every four weeks. Reduction of 6 posts. One-off vehicle early termination costs (1 dropside tipper and 1 tipper) is estimated at £41K.	172				172	Blue	6 posts & 2 vehicles have been deleted.
E&E_25	Environmental Services - Harrow Pride	Beat sweepers: Remove dedicated beat sweepers from secondary shopping areas, remove weekend and late afternoon street cleansing from 1st April 2015.	150				150	Blue	The budget was for agency staff who will no longer be used.

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MTFS Savings Tracker 2015/16 to 2018/19

Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
E&E_26	Environmental Services - Harrow Pride	Reduce Parks service to statutory minimum: Delete parks locking service, naturalise parks (except paid for fine turf), no green flag parks, litter picking reduced to once per week from 1st April 2015. Reduction of 4 Driver posts, 2 Operative posts and 5 Grounds Maintenance Specialist posts One-off vehicle early termination cost (2 tippers) is estimated at £23K. Parks Management. Through implementation of the previous savings proposal of reducing parks maintenance standards to the statutory minimum, there can be a further reduction in management and supervisory posts from the existing parks structure of 1 team leader and 2 charge-hands from 1st April 2015.	304	23			327	Blue	Post & vehicle have been deleted.
E&E_27	Environmental Services - Harrow Pride	Highways verge grass cutting, moving from a three weekly to a six weekly cycle. Reduce quality of service from 1st April 2015. One-off vehicle de-hire cost (1 tipper) is estimated at £11K.	71	11			82	Blue	3 posts & 1 vehicle deleted.
E&E_28	Environmental Services - Parking	Parking Enforcement - Increase efficiency in civil enforcement team.	100				100	Green	Restructure has been finalised.
E&E_29	Environmental Services - Parking	Review Parking charges to deal with capacity issues	375				375	Red	It is not currently the plan to increase car parking charges. A range of measures are being implemented to mitigate the budget pressure including an operational review, efforts to increase the sales of business parking permits and enforcement activities where permissible. Therefore this saving target will be met in full via compensating savings.
E&E_30	Environmental Services - Public Protection	Licensing: Budget realignment to reflect forecast income from licensing activities.	15				15	Blue	Income overachieved in 14/15 so this will be achieved in 15/16.

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MTFS Savings Tracker 2015/16 to 2018/19

Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
E&E_31	Environmental Services - Public Protection	Removal of late growth budget at February 2014 Council - On the spot fine for spitting, graffiti, littering and anti-social behaviour	50				50	Blue	A carry forward has been requested to fund the set up costs of this project, after which it will be self funding. Therefore saving achieved in full.
E&E_32	Environmental Services -Waste Services	Clinical waste: Review of current waste composition to identify genuine clinical waste which will be collected by a specialist service	50				50	Amber	New contract commenced on 5 May 2015. Savings not achieved in full due to late start.
E&E_33	Environmental Services -Waste Services	CA Site: Reduce assistance to public upper level at Civic Amenity site from 1st January 15. Reduction of 2 Waste Recycling Assistant posts (currently vacant).	38				38	Blue	Two posts have been deleted. This saving has been achieved.

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Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
E&E_34	Environmental Services -Waste Services	<p>Change mixed organic waste collection system with separate collection of food waste and introduce charges for garden waste from 1st October 2015.</p> <p>Food Waste - Each household on 3 wheeled bin system will be provided with a new 23L food waste bin and a kitchen caddy which will be emptied weekly.</p> <p>Garden Waste - Garden waste will be collected fortnightly on a chargeable basis. Households that subscribe to the service will receive 25 lifts per year at a price of £75. Concessions will be provided to residents on means tested benefits.</p> <p>Introductory offer - £75 to cover the period between 1st oct 15 and 31st Mar 17. The saving figure assumes 40% of households will take up the chargeable service.</p> <p>One-off implementation costs are estimated as follows: Revenue costs of approx £430K, and Capital costs for new food waste bins and kitchen caddies (£720K); the construction of a bulking facility for food waste at the depot (£250K).</p>	970	1,711			2,681	Amber	The collection of separate food and garden waste is planned to commence in October 15. It is anticipated that the recycling tonnage (food waste) would increase as a result of the waste diversion from residual waste bins and would yield a part year saving on disposal costs (£90K). The implementation of new garden waste charging is being delayed to April 16, leading to a one-off pressure on the income in 15/16.
RES09	HR & Shared Services	Additional savings in delivery including efficiencies through the transfer of the Health & Safety function to Environment & Enterprise and the re-charging of relevant payroll expenditure to the Pension Fund (no estimated reduction in FTE). (E&E element of saving)	101				101	Blue	Budgets have been realigned and savings achieved.
E&E011		Public Realm Integrated Service Model (PRISM) efficiencies. Towards Excellence Programme efficiencies	375				375	Amber	Unable to implement the Route optimisation model in its entirety. Shortfall of £353k.

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Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
E&E023		Consolidation of Civic Centre accommodation to secure utility cost savings. Transformation Project	58				58	Blue	Civic 2 has been converted to a car park and schools have taken possession of Civic 3, 4, 5 & 6 from 19 May 2014. The saving is a combination of the reduction in business rates and utilities costs.
E&E043		Grounds maintenance: Annualised hours	81				81	Blue	Budgets have been reduced and savings achieved.
CHW12	Community & Culture	Redevelopment Harrow Leisure Centre Site			100		100	Amber	Dependent on proposals being developed and implemented
CHW13	Community & Culture	School Music Service to fully recover costs	72				72	Green	On-course to be achieved
CHW14	Community & Culture	Strategic reorganisation of Sports Development team. Review to reduce by 1fte (remaining post funded from within Community & Culture budgets). Cease delivery of London Youth Games and further review sports development delivery in 2016/17.	30	10			40	Amber	The restructure has now been completed and the remaining post has been recruited to. Due to delay in this, a full year saving may not be achieved but adjustments will be made elsewhere in budgets where possible to cover any shortfall . London Youth Games participation will cease after the current Games end in July 2015.
CHW15	Community & Culture	Reduce council subsidy to the Harrow Arts Centre & Museum, whilst developing business plan to eliminate subsidy in the longer term. In 2015/16 saving achieved by additional income and staff re-structure in 2014/15 (resulting in 2 redundancies)	100	515			615	Red	Full saving unlikely to be delivered due to loss of income from uncertainty around the future of the site linked t additional costs caused by staffing issues. Strategy around longer term sustainability of the site is under development.
CHW16	Community & Culture	In 2014-15 reduction in library book stock fund to spend consistent with previous years In 2015-16 to develop a library strategy which reduces the number of libraries from 10 to 6, and implement a range of improvements to the remaining libraries in the medium to longer term.	500				500	Amber	Only likely to be partially achieved. Negotiations around new contract price are now finalised. It is likely that reduced contract price will not be realised until later into the financial year due to implementation of staffing structure delays
CHW17	Community & Culture	Reduction of subsidy for community festivals	30				30	Blue	Offer for community festivals reduced to remaining budget of £10k

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Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
CHW18	Community & Culture	CHW Management savings - 1 fte in Community & Culture 2015/16 and 1 fte in Housing 2016/17	79	59			138	Blue	Post is vacant and will not be filled
CHW050	Community & Culture	Libraries Transformation 2 Impact of final contract negotiations around profit share and short term use of Civic Centre by contractor	18				18	Amber	Only likely to be partially achieved. Negotiations around new contract price are now finalised. It is likely that reduced contract price will not be realised until later into the financial year due to implementation of staffing structure delays
CHW06a	Housing	Supporting People contract negotiation efficiency	10				10	Green	On track to achieve saving
CHW26	Housing	Reduction in training & other minor budgets following review of current usage and assessment of future budget requirements	34				34	Green	On track to achieve saving
CHW27	Housing	Additional salary recharges to the HRA to reflect work patterns	41				41	Green	On track to achieve saving
CHW28	Housing	Income from increased Charges for Bed & Breakfast / Private Sector Leasing accommodation. This is the 2015-16 estimated effect of an increase being implemented in 2014-15.	175				175	Green	On track, however the saving will be completely offset by Bed & Breakfast and other homelessness expenditure overspends estimated at £2m to £2.5million in 2015-16.
Total Community			5,721	3,024	775	264	9,784		
People									
CHW01	CHW	Consolidate Transformation Team with other Council services	227				227	Amber	Teams consolidated with Business Support, review of postroom functions ongoing
CHW02	CHW	Delete two Adults management posts and fund one by the Better Care Fund	102				102	Blue	2 management posts deleted

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Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
CHW05	Adults	Protection of Social Care Services through the Department of Health Better Care Fund allocation	1,851				1,851	Green	Funding agreed and will be paid quarterly once s75 agreement between health & local authority signed. Plan to sign by end June so that part year funding is received by September.
CHW06	Adults	Supporting People contract negotiation efficiency	290				290	Green	Contracts ended and renegotiated as planned
CHW07	Adults	Recommissioning of in-house transport provision to support the most vulnerable service users.	500				500	Amber	Routes ceased as planned. Further clarity required on balance of savings to fully deliver proposals
CHW08	Adults	Additional income to be generated though MyCEP Commercialisation	100				100	Amber	A number of council's have expressed interest in the product but commitment to purchase has been slow. Dialogue with other councils will continue
CHW09	Adults	Reduced funding following review of WLA programme		50			50	Blue	Future year saving
CHW10	Adults	Review of In-house Residential Provision	250				250	Green	Vacant posts deleted and property handed back to landlord.
CHW11	Adults	Review of voluntary sector funding	280				280	Amber	Ongoing discussions with the voluntary sector, particularly in relation to the procurement of the Care Act element of the service.
CHW19	Public Health	Reduction in discretionary Health Checks	187				187	Green	On track to be achieved
CHW20	Public Health	Efficiencies within Sexual Health & Family Planning Services	45				45	Green	On track to be achieved
CHW21	Public Health	Efficiencies within School Nursing Service	18				18	Green	On track to be achieved
CHW22	Public Health	Efficiencies within Harrow Drug & Alcohol (Young People & Adults) Services	250				250	Green	On track to be achieved
CHW23	Public Health	Efficiencies within Smoking Cessation & Tobacco Control services	41				41	Green	On track to be achieved

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Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
CHW24	Public Health	Reduce funding in Physical Activity Services (back - office change)	60				60	Green	On track to be achieved
CHW25	Public Health	Reduce Sexual Planning & Family Planning Out of Borough Contingency Fund	25				25	Green	On track to be achieved
C&F-01	Commissioning & Schools	Harrow Teacher's Centre Centre closed July 2014 as part of site vacation to enable school expansion of Whitefriars Community School (funded by Targeted Basic Needs Programme) to proceed in Autumn 2014. Staff have already left or been redeployed and redundancy costs funded	231				231	Blue	Site closed July 2014. All staff have either been redeployed or made redundant. Redundancy costs accounted for and funded in 2014/15.
C&F-02	Commissioning & Schools	Contracts Review Morning Lane contract by approx 16%	50				50	Blue	Contract reduced from £322k to £272k.
C&F-04	Commissioning & Schools	Enhancing Achievement including Travellers Service Seek further grant income for non-statutory support for key Narrowing the Gap pupil groups and vulnerable Traveller community. This service has generated approx £75k in external funding in 2013-14	30				30	Green	Grant income from GLA and John Lyon's generated to meet the saving in 2015/16.
C&F-05	Commissioning & Schools	Capitalisation Capitalise salary Education Professional Lead	90				90	Blue	To be recharged to the Schools Expansion Programme.
C&F-06	Cross Service	Review of management Reduce number of Service Managers & Divisional Directors. This would reduce the service one divisional director and one service manager. Redundancy costs not included	205				205	Blue	Divisional Director (Early Intervention) and Service Manager (Childrens & Families) left the Authority in 2014/15.

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MTFS Savings Tracker 2015/16 to 2018/19

Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
C&F-08	Cross Service	Private Finance Initiative Transfer the funding of the Schools PFI "affordability gap" to Dedicated Schools Grant. This is subject to consultation with Schools Forum and Harrow Schools and subject to approval by the Department for Education as it involves adding an additional factor into the Harrow Schools Funding Formula.	421				421	Blue	DSG funding added to the budget in 2015/16.
C&F-10	Targeted Services	Recruitment of Foster Carers Recruitment of an additional 13 in-house foster carers to reduce demand for external fostering agencies.	200				200	Amber	Current performance data indicates that the number of in-house foster carers is increasing. The position will be monitored monthly throughout the year alongside the Children's Placements forecasts.
C&F-12	Early Intervention Service	Early Years & Early Intervention Services Closure of 6 Childrens Centres and reconfiguration of remaining 10 Children's Centres.	984				984	Amber	Residual employee costs relating to staff whose redundancies are set to take place in year, delays in closing sites and project management costs total around £157k. Full saving expected to be made in 2016/17. This pressure will be managed within the Children's & Families Directorate.
Total savings People			6,437	50	0	0	6,487		
Regeneration									
E&E_36	Planning - Development Mgt	Planning Fees: following an increase in 2013, the government may increase the statutory planning fees at some point over the next four years			100		100	Green	
E&E_41	Planning - Development Mgt	'Free-go' planning applications following refusals: significantly reduce 'free-go' applications through amendment of current 'no negotiation' policy on new planning applications.	50				50	Green	
Total savings Regeneration			50	0	100	0	150		
Business Support									

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MTFS Savings Tracker 2015/16 to 2018/19

Appendix 2

Ref	Service Area	Headline Description re: saving / reduction	2015/16	2016/17	2017/18	2018/19	Total	RAG Status	Comment
			£000	£000	£000	£000	£000		
CHW03	CHW	Review of Business Support Services	90				90	Amber	Staff Savings currently not on target to be achieved
BSS01	Business Support	Review of Business Support Services	730				730	Amber	Staff savings are not on track to be achieved within current structure. Central Scanning project is running late and is currently delayed pending Capita providing support, this will impact on savings.
			820	0	0	0	820		
Pan Organisation									
Savings									
PO 01	Pan Organisation	Using the Market - A package of saving proposals around total facilities management, supplier negotiations, revenue generation and consultancy have been identified which will provide better VFM to residents and reduce costs to the Council.		220			220	Amber	Dependent on development of individual proposals
PO 02	Pan Organisation	Service Levels / Capital Programme - Proposed savings on capital financing costs.	1,500				1,500	Blue	Achieved
PO 03	Pan Organisation	Regeneration - Indicative net income realised from a long term regeneration strategy for the borough, to be formalised following consultation launched in early 2015.	-	-	350	2,000	2,350	Amber	Dependent on strategy implementation
Total savings			1,500	220	350	2,000	4,070		
Total All Directorates			18,720	5,059	2,877	3,609	30,265		

Key To Tracker

Note that all savings not achievable must be met by a replacement saving

Red	Agreed saving not achievable
Amber	Saving only partially achieved or risks remaining
Green	Achievement of saving on track
Blue	Achieved and banked

Council Tax

Currently, bad debt provisions (BDP) of £4.856m exist [**£5.03m**- £0.174k; w/off's done 01/04/15-30/09/15] for Council Tax against a potential BDP of £3.782m for debts accrued to 31 March 2015.

COUNCIL TAX	Arrears as at 1 st of April	Arrears as at Qtr 2	BDP	BDP as at Qtr 2
	£000	£000	%	£000
Pre 2008-2019	395	277	100	277
2010-2011	422	337	100	337
2011-2012	556	437	100	437
2012-2013	744	602	100	602
2013-2014	1,473	1,099	75	825
2014-2015	3,293	2,006	65	1,304
Total	6,883	4,758		3,782

National Non Domestic Rates (NNDR)

Currently, bad debt provisions of £1.765m [**£2.197m**- £0.432k; w/off's done 01/04/15 to 30/09/15] exist for business rates (NNDR) against a potential BDP of £1.646m. Under Business Rates retention, the effect on the local authority is 30% of any surplus or deficit.

NATIONAL NON DOMESTIC RATES (NNDR)	Arrears as at 1 st of April	Arrears as at Qtr 2	BDP	BDP as at Qtr 2
	£000	£000	%	£000
Pre 2013-2014	358	278	100	278
2013-2014	714	583	100	583
2014-2015	2,259	1,570	50	785
Total	3,331	2,431		1,646

Council Tax and Business Rates Court Cost

Currently, bad debt provisions (BDP) of £950k (**CT £850k+ NDR £100k**) exists for Court Costs against a potential BDP of £933k. From previous years trends, this amount of provision appears to be adequate and in line with our overall provisions policy.

Court Cost	Arrears as at 1 st of April	Arrears as at Qtr 2	BDP	BDP as at Qtr 2
	£000	£000	%	£000
Pre 2012-2013	136	197	100	197
2012-2013	79	93	100	93
2013-2014	100	184	75	138
2014-2015	220	385	60	231
2015-2016	580	547	50	274
Total	1,170	1,406		933

Housing Benefits

Currently, bad debt provisions of £5.378m [**£5.509m** - £0.131m w/off's 1/4/15 to 30/09/15] exist for Housing Benefit overpayment debt against a potential BDP of £5.937m (£3.106m + £2.834m = £5.940m).

Housing Benefit DEBTORS	Outstand as at 1 st of April	Outstand as at Qtr 2	BDP	BDP as at Qtr 2
	£000	£000	%	£000
Pre 2013-2014	462	983	100	983
2013-2014	531	682	100	682
2014-2015	2,597	1,862	50	931
2015-2016	0	1,701	30	510
Totals	3,590	5,228		3,106

Housing Benefit LIVE CASES	Outstand as at 1 st of April	Outstand as at Qtr 2	BDP	BDP as at Qtr 2
	£000	£000	%	£000
Pre 2013-2014	1,112	341	100	341
2013-2014	807	377	75	283
2014-2015	2,690	1,528	50	764
2015-2016	0	2,320	30	696
Additional Risk due to Loss of subsidy** <i>see note below</i>				750
Totals	4,609	4,566		2,834

**

Over the last year there have also been new initiatives from the DWP, specifically the Real Time Information Bulk Data Matching exercise (RTI), which means the DWP is currently providing retrospective information to the authority about claimant changes not previously known to Harrow. This has resulted in a higher than normal increase in the raising of Housing Benefit overpayment debts which unfortunately is increasing the overpayments figures and will add pressure to the bad debt provision later in the year.

Additionally there is further risk to the BDP as part of the housing benefit subsidy normally received regarding overpayments (which would fund the BDP provision) is at risk. This is because the Housing Benefit LA error overpayment threshold is set as a percentage of HB annual expenditure. If the level of LA error OPs raised in year are below this threshold the authority receives 100% subsidy against the value of LA error OPs raised. If the LA error OPs exceed the lower threshold the authority receives 40% subsidy against the total value of LA error OPs raised, and above the upper threshold 0% subsidy against the total raised.

2014/15 year end LA error OP thresholds were:

Lower threshold: £689,831

Upper threshold: £776,095

Thresholds are unlikely to increase much as overall benefit is not increasing; e.g. there are no significant extra claimants.

The total LA error OPs raised for 2015/16 will not be known until the end of the financial year, but based on the previous years' information and taking into account the higher volumes of overpayments raised due to the DWP's RTI exercise, the potential loss to Harrow if the upper threshold is met could be around £0.750k, which would not be available to fund the BDP as historically has occurred. To date the LA error OP level is exceeding the rate raised in recent years and passed the lower threshold at the end of the last period ending 13/9/15.

The LA error OP rate in 2015/16 has increased due to the key reasons listed below:

- Delays in processing changes in circumstance. When the authority is notified of a change, the period between the date the authority was notified and the date the change is actioned is treated as LA error. The authority is therefore penalised for having a delay to processing changes. The backlog in Scanning & Indexing has severely impacted the service's ability to process changes in a timely manner, resulting in increased LA error.
- Increased levels of interventions. The DWP has been targeting fraud and error in the Housing Benefit system. For a number of years interventions (reviews to existing claims) have been focused on DWP matching and risk assessing claims for LAs to take appropriate action. While the LA would have liked to have done more, DWP did not fund this activity. However, with the new focus on fraud & error some funding has been made available and authorities incentivised (either through up front funding or risk of financial penalty through further LA error) to carry out more interventions. This type of work naturally identifies assessment errors which will also contribute to the level of LA error.
While Harrow is seen as a site of best practice for its quality assurance processes, the complexity of the benefits system do not allow for error to be completely removed from the system. A level of assessment error will therefore always exist in the system which when found will add to the LA error as stated above.
- Pressure on resources as a result of new burdens not fully funded by DWP and implemented at short notice. As part of the fraud and error reduction initiative DWP have placed unexpected new burdens on local authorities which are not fully funded. This additional pressure on resources has also impacted on the response times for changes in circumstances, and allowing increased LA error OPs to enter the system due to processing delays.

While the Benefits Service has been working to mitigate the impact of the above, additional pressures are continuing to prevent the risk from being addressed such as reduction in processing staff by our third party contractor as we move toward the end of the contract.

As a result of the above not only has Harrow hit the lower LA OP threshold, it is very likely to hit the upper threshold. The Service is pro-actively searching for additional resources but as experienced assessors are scarce, the existing contractor continues to reduce existing resources working on Harrow work, and the newly appointed resilience contractor does not commence service delivery until November 2015, it is not possible to predict if the risks can be fully mitigated. It should therefore be noted that there is a potential risk that Harrow will lose up to £0.750k from its HB subsidy claim for 2015/16 which in turn will create an increase in the BDP of £450k in excess of the budget.

QUARTER 2 CAPITAL PROGRAMME MONITORING (30 SEPTEMBER 2015)

Appendix 4

Project Definition	Original Programme	Brought Forward	Virement	Other Adjustments	Externally funded	Harrow Funded	Approved Budget	Forecast Outturn	Forecast Variance	Slippage	Over/Under spend
Adults Social Care-Framework-I & IT Integration	0	131,354	0	0	0	131,354	131,354	65,354	-66,000	66,000	0
MOSAIC Implementation - Adults & Children's Services	0	605,520	0	0	0	605,520	605,520	300,000	-305,520	305,520	0
Milman's Day Centre - Remodeling & Refurbishment	0	0	0	0	0	0	0	0	0	0	0
Bedford House Boilers	0	0	0	0	0	0	0	0	0	0	0
Mental Health Supported Housing Repairs	0	43,801	0	0	0	43,801	43,801	31,081	-12,720	0	-12,720
Refurbishment of 64 Pinner Road	0	0	0	0	0	0	0	0	0	0	0
Adults Personal Social Services - Community Capacity Grant	0	341,200	0	0	0	341,200	341,200	109,200	-232,000	232,000	0
Capital Strategic Reviews	100,000	421,843	0	0	0	521,843	521,843	100,000	-421,843	421,843	0
Aztec Cafe and The Bridge - Phase 1	0	0	0	0	0	0	0	0	0	0	0
Quality Outcome for People With Dementia	0	150,000	0	0	0	150,000	150,000	0	-150,000	150,000	0
Reform Of Social Care Funding	575,000	225,159	0	0	191,000	609,159	800,159	45,000	-755,159	755,159	0
In House Residential Establishment	0	0	0	0	0	0	0	0	0	0	0
Market Shaping And Development	0	250,000	0	0	0	250,000	250,000	0	-250,000	250,000	0
Integrated Health Model	500,000	142,115	0	0	250,000	392,115	642,115	170,000	-472,115	472,115	0
Carers Services Charges	100,000	100,000	0	0	50,000	150,000	200,000	0	-200,000	0	-200,000
Maintenance of Adults Properties	49,000	100,000	0	0	49,000	100,000	149,000	0	-149,000	149,000	0
Safeguarding Quality Assurance Quadrants (QAQ)	0	167,759	0	0	0	167,759	167,759	0	-167,759	167,759	0
Schools Expansion Programme - Phase 1	0	2,286,931	0	0	2,286,931	0	2,286,931	2,592,122	305,191	0	305,191
Schools Expansion Programme - Phase 2	8,815,000	11,645,216	420,000	0	20,460,216	420,000	20,880,216	18,496,646	-2,383,570	444,000	-1,939,570
Schools Expansion Programme Phase 3	9,780,000	300,000	0	0	4,800,000	5,280,000	10,080,000	1,500,000	-8,580,000	8,580,000	0
Schools Expansion Programme Phase 4	420,000	0	-420,000	0	0	0	0	0	0	0	0
SEN Provision	4,758,000	2,905,126	0	0	7,243,126	420,000	7,663,126	8,107,706	444,580	0	444,580
Secondary Expansions	6,582,000	9,615,100	0	0	16,197,100	0	16,197,100	16,895,972	698,872	420,000	1,118,872
Schools Expansion Programme contingency	0	0	0	0	0	0	0	0	0	0	0
School Amalgamation	0	1,089,073	0	0	1,089,073	0	1,089,073	1,160,000	70,927	0	70,927
Bulge Classes	0	44,041	0	0	44,041	0	44,041	44,041	0	0	0
Free School Meals	0	156,865	0	0	156,865	0	156,865	156,865	0	0	0

QUARTER 2 CAPITAL PROGRAMME MONITORING (30 SEPTEMBER 2015)

Appendix 4

Project Definition	Original Programme	Brought Forward	Virement	Other Adjustments	Externally funded	Harrow Funded	Approved Budget	Forecast Outturn	Forecast Variance	Slippage	Over/Under spend
Schools Capital Maintenance	906,000	807,011	0	0	1,713,011	0	1,713,011	1,713,011	0	0	0
Devolved Formula Non VA Schools	361,000	560,272	0	0	921,272	0	921,272	921,272	0	0	0
IT Development	0	848,296	0	0	0	848,296	848,296	548,496	-299,800	299,800	0
Catering in schools (2011-12)	0	0	0	0	0	0	0	0	0	0	0
High School Development (2011-12)	0	0	0	0	0	0	0	0	0	0	0
Whitmore School - Sports Pitch	0	0	0	0	0	0	0	0	0	0	0
Whitmore School	0	36,412	0	0	36,412	0	36,412	36,412	0	0	0
Project Fees During Defect Period	0	0	0	0	0	0	0	0	0	0	0
Austistic Spectrum Disorder	0	0	0	0	0	0	0	0	0	0	0
Children's Centre Funding	0	0	0	0	0	0	0	0	0	0	0
Primary Capital Grant	0	0	0	0	0	0	0	0	0	0	0
High School No 1 - rebuild BSF	0	0	0	0	0	0	0	0	0	0	0
2 Year Old Entitlement Grant (2012-13)	0	0	0	0	0	0	0	0	0	0	0
TOTAL PEOPLE	32,946,000	32,973,094	0	0	55,488,047	10,431,047	65,919,094	52,993,178	-12,925,916	12,713,196	-212,720
5 Digital Audio Tape (DAT) machines	50,000	0	-50,000	0	0	0	0	0	0	0	0
Affordable Warmth	0	0	0	0	0	0	0	0	0	0	0
BTP - Public Realms	0	1,251,266	134,000	0	0	1,385,266	1,385,266	1,251,266	-134,000	0	-134,000
Carbon Reduction Programme 2012/13	0	0	0	0	0	0	0	0	0	0	0
Carbon Reduction Programme 2013/14	0	0	0	0	0	0	0	0	0	0	0
Carbon Reduction Programme 2014/15	0	0	0	0	0	0	0	0	0	0	0
Carbon Reduction Programme 2015/16	300,000	0	-134,000	0	0	166,000	166,000	300,000	134,000	0	134,000
CCTV Camera Extension Project	0	0	0	0	0	0	0	0	0	0	0
CCTV Crime Reduction Cameras 14/15	0	0	0	0	0	0	0	0	0	0	0
CCTV Enforcement Monitoring System Re-engineering	0	0	0	0	0	0	0	0	0	0	0
City Farm/Pinner Park Farm	0	537,902	0	0	0	537,902	537,902	19,902	-518,000	518,000	0
Civic Centre Parking	0	0	0	0	0	0	0	0	0	0	0
Corporate Accommodation Maintenance	246,000	0	0	0	0	246,000	246,000	246,000	0	0	0
Carbon Reduction (Schools)	0	0	0	32,154	32,154	0	32,154	32,154	0	0	0

QUARTER 2 CAPITAL PROGRAMME MONITORING (30 SEPTEMBER 2015)

Appendix 4

Project Definition	Original Programme	Brought Forward	Virement	Other Adjustments	Externally funded	Harrow Funded	Approved Budget	Forecast Outturn	Forecast Variance	Slippage	Over/Under spend
Development of a Consolidated, Integrated Civic One Building	0	0	0	0	0	0	0	0	0	0	0
Disabled Facilities Grants	1,500,000	0	0	0	650,000	850,000	1,500,000	1,500,000	0	0	0
Empty Property Grant	250,000	220,000	0	133,978	133,978	470,000	603,978	558,978	-45,000	45,000	0
Green Deals Communities Funding	0	1,357,000	0	0	1,357,000	0	1,357,000	6,000	-1,351,000	0	-1,351,000
Harrow Green Grid	343,000	349,864	0	0	395,390	297,474	692,864	504,864	-188,000	188,000	0
Harrow On Hill Station	2,000,000	0	0	0	2,000,000	0	2,000,000	0	-2,000,000	2,000,000	0
Headstone Manor	0	1,086,000	0	0	0	1,086,000	1,086,000	986,000	-100,000	100,000	0
High Priority Plan Maintenance Corporate Property	420,000	0	0	0	0	420,000	420,000	420,000	0	0	0
Highway Drainage Improvements & Flood Defence Infrastructure	525,000	0	0	182,000	175,000	532,000	707,000	707,000	0	0	0
Highway Improvement Programme	5,500,000	0	1,950,000	0	0	7,450,000	7,450,000	7,450,000	0	0	0
Housing Property Purchase	0	0	0	7,500,000	0	7,500,000	7,500,000	3,070,000	-4,430,000	4,430,000	0
Leisure Capital Investment	0	0	0	0	0	0	0	0	0	0	0
Leisure Centre Capital Infrastructure	300,000	162,840	0	0	0	462,840	462,840	462,840	0	0	0
Leisure Centre Car Park CCTV	0	0	0	0	0	0	0	0	0	0	0
Leisure Centre Car Park Charging	0	0	0	0	0	0	0	0	0	0	0
Neighbourhood Investment Scheme	0	26,900	0	0	0	26,900	26,900	26,900	0	0	0
Parking Management Programme	300,000	0	0	0	0	300,000	300,000	300,000	0	0	0
Public Realm Services – Parks, Open Spaces & Cemeteries	990,000	0	300,000	170,000	170,000	1,290,000	1,460,000	1,460,000	0	0	0
Public realm Services – Waste and Recycling	1,190,000	0	0	0	0	1,190,000	1,190,000	1,190,000	0	0	0
Renovation Grants	70,000	63,016	0	0	22,027	110,989	133,016	133,016	0	0	0
Roxborough Bridge Underpass CCTV	0	0	0	0	0	0	0	0	0	0	0
Sec 106 Banister Sport Pitch	0	1,004,000	0	0	1,004,000	0	1,004,000	0	-1,004,000	1,004,000	0
Section 106 Schemes	0	148,248	0	95,000	243,248	0	243,248	243,248	0	0	0
Sports & Leisure Short Breaks Grant	0	0	0	0	0	0	0	0	0	0	0
Stanmore Library - Meeting Room	0	0	0	0	0	0	0	0	0	0	0
Street Lighting Improvement Programme	1,500,000	0	0	1,500,000	0	3,000,000	3,000,000	3,000,000	0	0	0
TfL Major Schemes	0	0	0	0	0	0	0	0	0	0	0
TfL Principal Roads	870,000	0	0	0	870,000	0	870,000	870,000	0	0	0
TfL Transport Capital	1,204,000	663,875	0	0	1,867,875	0	1,867,875	1,867,875	0	0	0
Town Centre Infrastructure	0	0	0	0	0	0	0	0	0	0	0
Town Centre Regeneration	0	7,046	0	0	0	7,046	7,046	7,046	0	0	0

QUARTER 2 CAPITAL PROGRAMME MONITORING (30 SEPTEMBER 2015)

Appendix 4

Project Definition	Original Programme	Brought Forward	Virement	Other Adjustments	Externally funded	Harrow Funded	Approved Budget	Forecast Outturn	Forecast Variance	Slippage	Over/Under spend
Transport Local Implementation Plan 2 - Programme of investment	0	0	0	0	0	0	0	0	0	0	0
Upgrading the People's Network and Installing Wi-Fi	0	0	0	0	0	0	0	0	0	0	0
Total Community	17,558,000	6,877,957	2,200,000	9,613,132	8,920,672	27,328,417	36,249,089	26,613,089	-9,636,000	8,285,000	-1,351,000
Capital cost of transition and transformation of ICT service	8,300,000	0	-2,600,000	0	0	5,700,000	5,700,000	2,580,000	-3,120,000	3,120,000	0
Council Tax Support	0	0	0	0	0	0	0	0	0	0	0
ITO Transformation	0	2,119,000	0	0	0	2,119,000	2,119,000	1,994,000	-125,000	0	-125,000
My Harrow Services Account Dev Prog	0	73,816	0	0	0	73,816	73,816	73,816	0	0	0
IT Improvement Project	0	300,000	0	0	0	300,000	300,000	300,000	0	0	0
SAP: Financial Leger/Systems Control Imp	0	241,000	0	0	0	241,000	241,000	241,000	0	0	0
BTP - Business Support	0	0	0	0	0	0	0	0	0	0	0
BTP - SAP SRM Procurement	0	0	0	0	0	0	0	0	0	0	0
BTP CCAD - Customer Contact Assess & Decide	0	0	0	0	0	0	0	0	0	0	0
BTP - Mobile & Flex	320,000	1,248,000	0	0	0	1,568,000	1,568,000	1,302,000	-266,000	391,000	125,000
BTP - Corporate Resources	0	20,000	0	0	0	20,000	20,000	20,000	0	0	0
BTP - PCI Cap	0	0	0	0	0	0	0	0	0	0	0
BTP Minor Projects	0	171,146	0	0	0	171,146	171,146	170,000	-1,146	0	-1,146
SAP Minor Developments	0	31,000	0	0	0	31,000	31,000	131,000	100,000	0	100,000
ICT Infrastructure & Corporate Applications	0	374,000	0	0	0	374,000	374,000	394,000	20,000	0	20,000
IT Corporate System Refresh	0	1,033,000	0	0	0	1,033,000	1,033,000	1,033,000	0	0	0
LAA Performance Reward Grant	0	123,649	0	0	0	123,649	123,649	123,649	0	0	0
BTP - Hardware Refresh	0	263,000	0	0	0	263,000	263,000	150,000	-113,000	0	-113,000
Loan Payment - Capital	3,883,000	2,218,903	0	0	0	6,101,903	6,101,903	5,805,000	-296,903	296,903	0
Ongoing refresh & enhancement of ICT	2,000,000	0	0	0	0	2,000,000	2,000,000	1,328,000	-672,000	572,000	-100,000
Other potential costs of ICT implementation	0	0	0	0	0	0	0	0	0	0	0
Purchase of existing IT assets	0	0	0	0	0	0	0	0	0	0	0
Small Schemes (Council wide)	0	310,000	0	0	0	310,000	310,000	310,000	0	0	0
FM Minor Work	0	0	500,000	0	0	500,000	500,000	500,000	0	0	0
IER Grant	0	17,796	0	0	0	17,796	17,796	17,796	0	0	0

QUARTER 2 CAPITAL PROGRAMME MONITORING (30 SEPTEMBER 2015)

Appendix 4

Project Definition	Original Programme	Brought Forward	Virement	Other Adjustments	Externally funded	Harrow Funded	Approved Budget	Forecast Outturn	Forecast Variance	Slippage	Over/Under spend
TOTAL RESOURCES	14,503,000	8,544,310	-2,100,000	0	0	20,947,310	20,947,310	16,473,261	-4,474,049	4,379,903	-94,146
Harrow Card	200,000	0	-100,000	0	0	100,000	100,000	100,000	0	0	0
Station Road Highway and Environment Regeneration Programme	298,000	0	0	0	198,000	100,000	298,000	298,000	0	0	0
	1,750,000	0	0	2,325,000	0	4,075,000	4,075,000	3,753,000	-322,000	322,000	0
TOTAL REGENERATION	2,248,000	0	-100,000	2,325,000	198,000	4,275,000	4,473,000	4,151,000	-322,000	322,000	0
TOTAL GENERAL FUND	67,255,000	48,395,361	0	11,938,132	64,606,719	62,981,774	127,588,493	100,230,528	-27,357,965	25,700,099	-1,657,866
Housing Programme	21,656,000	1,707,000	0	6,102,000	923,000	28,542,000	29,465,000	18,231,897	-11,233,103	10,635,000	-598,103
Grant Funded Extensions	0	0	0	0	0	0	0	0	0	0	0
Aids & Adaptations	0	0	0	0	0	0	0	0	0	0	0
Affordability Housing	0	534,000	0	0	0	534,000	534,000	534,000	0	0	0
TOTAL HRA	21,656,000	2,241,000	0	6,102,000	923,000	29,076,000	29,999,000	18,765,897	-11,233,103	10,635,000	-598,103
Total General Fund and HRA	88,911,000	50,636,361	0	18,040,132	65,529,719	92,057,774	157,587,493	118,996,425	-38,591,068	36,335,099	-2,255,969

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